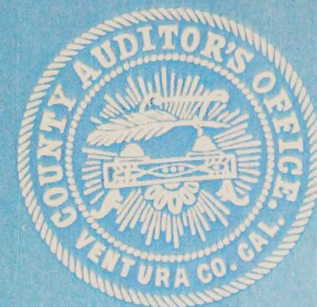


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COMPREHENSIVE ANNUAL FINANCIAL REPORT

Fiscal Year Ended June 30, 1998

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Thomas O. Mahon - Auditor-Controller

Christine L. Cohen - Assistant Auditor-Controller

Photograph of Channel Islands Harbor (County owned facility)



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County of Ventura, California

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT
YEAR ENDED JUNE 30, 1998**



County Auditor-Controller's Office
THOMAS O. MAHON, *Auditor-Controller*
CHRISTINE L. COHEN, *Assistant Auditor-Controller*

County of Ventura, California
COMPREHENSIVE ANNUAL
FINANCIAL REPORT
YEAR ENDED JUNE 30, 1993

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County Auditor-Controller's Office
THOMAS O. HANCOCK, Auditor-Controller
CHRISTINE L. COHEN, Assistant Auditor-Controller

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**COUNTY OF VENTURA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
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THOMAS O. MAHON
COUNTY AUDITOR-CONTROLLER
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CHIEF DEPUTIES:
CAROL A. ABELLA
BARBARA J. LOPEZ
DWAYNE L. MCWATERS
JAMES M. TAMEKAZU

October 30, 1998

Honorable Board of Supervisors
County of Ventura
County Government Center
800 South Victoria Avenue
Ventura, California 93009

Ladies and Gentlemen:

The Comprehensive Annual Financial Report of the County of Ventura (County) for the year ended June 30, 1998, is hereby submitted in compliance with the provisions of the State of California Government Code Section 25253. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the County. We believe the data, as presented, is accurate in all material aspects; that it is presented in a manner designed to fairly set forth the financial position and results of operations of the County as measured by the financial activity of its various funds and account groups and component units; and all disclosures necessary to enable the reader to gain a full understanding of the County's financial affairs have been included.

The Comprehensive Annual Financial Report is presented in three sections: Introductory, Financial, and Statistical. The Introductory Section includes the title page, a table of contents, this transmittal letter, a copy of the Certificate of Achievement for Excellence in Financial Reporting for the year ended June 30, 1997, a listing of elected County officials, and the organization chart for the County of Ventura. The Financial Section includes the general purpose financial statements and the supplemental combining and individual fund and account group financial statements and schedules, as well as the independent auditors' report on the general purpose financial statements and supplemental statements

and schedules. The Statistical Section, which is unaudited, includes selected financial and demographic information, generally presented on a multi-year basis.

The County is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1997 and the United States Office of Management and Budget Circular A-133, "Audits of States, Local Governments and Non-Profit Organizations." Information related to the single audit include the supplemental schedule of expenditures of federal awards, findings and recommendations, and independent auditors' reports on: (1) compliance with requirements applicable to each major program and internal control over compliance in accordance with the United States Office of Management and Budget Circular A-133, and (2) compliance and internal control over financial reporting based on an audit of the financial statements in accordance with government auditing standards. The single audit report is available in the Auditor-Controller's office.

The financial reporting entity (the government) includes all the funds and account groups of the primary government (County of Ventura as legally defined), as well as all of its component units. Component units are legally separate entities for which the primary government is financially accountable. Component units may be presented as blended when they are in substance part of the primary government or discretely presented in a separate column to emphasize that they are legally separate from the primary government. Note 1 of the Notes to Financial Statements further defines the reporting entity.

The County provides a full range of services including general government (administration and finance), public protection (law enforcement, fire protection, flood control, judicial, and detention), public ways and facilities (County service areas and construction and maintenance of roads), health (public, behavioral, and environmental health), public assistance, and education (libraries). In addition, enterprise funds account for the operations of the Ventura County Medical Center, Ventura County Health Care Plan, two airports, Channel Islands Harbor, waterworks districts (sanitation and water services), and recreational activities.

There are certain separate legal entities which share the title "County of Ventura," including Sanitation Districts and numerous school and other districts governed by local boards. These entities are autonomous organizations with their own governmental powers. They maintain their own financial records and issue financial statements separate and distinct from those of the County. Accordingly, they are not included in the accompanying financial statements, except as to their assets held by the County, principally cash and investments held by the County Treasurer. Most of these entities are

audited annually. Their financial statements are on file with the County Auditor-Controller's Office.

Readers of this report are reminded that certain assets reported in the Agency Funds' external investment trust are held in the County Treasury and represent funds held for others in a fiduciary capacity and as such are not available for the general use of the County.

GOVERNMENTAL STRUCTURE

The County of Ventura was approved by the State Legislature on March 22, 1872, effective January 1, 1873. The County was created out of the southeasterly portion of Santa Barbara County. The County's 125th anniversary was celebrated during fiscal year 1997-98.

Ventura County covers an area of 1,873 square miles and is twenty-sixth in size among California's fifty-eight counties. It is bordered on the north by Kern County, on the northwest by Santa Barbara County, and on the east by Los Angeles County. The Pacific Ocean provides the County's south and southwestern border stretching along forty-two miles of coastline.

The County is a General Law County. Policy making, budget approval, and legislative authority are vested in a five-member Board of Supervisors. Each supervisor is elected on a nonpartisan basis by geographic districts for four-year staggered terms with two members and three members elected every two years. The chair of the board is elected by the board members to a one-year term.

ECONOMIC CONDITIONS AND OUTLOOK

Ventura County, historically, has been closely allied with the economy of Southern California. The County's traditional economic strength in agriculture, food processing, and mineral production is supplemented by the prominence of the service industry, small manufacturing businesses, the electronics industry, tourism, and the military presence of U.S. Naval Stations at Port Hueneme and Point Mugu. The transfer of a wing of E-2C Hawkeye early warning aircraft bolsters the military economy to help offset decreased military spending.

Positive local signs include retail growth with a taxable sales increase of 8 percent realized between 1996 and 1997, more companies moving into the County, and the manufacturing boom in the western part of the County.

California State University (CSU) Channel Islands, to be located at the former Camarillo State Hospital site, has received approval and \$11 million State funding.

Total wage and salary employment in Ventura County stood at 273,100 jobs in June which represents an overall increase of 7,700 jobs from one year ago. Over the past year the manufacturing sector added 3,100 jobs, followed by agriculture, 2,700 jobs, and finance, insurance and real estate, adding 2,100 jobs. For 1997, four major job categories provided seventy five percent of employment: Services (28 percent), retail trade (18 percent), government (16 percent), and manufacturing (13 percent). The September annual jobless rate decreased to 4.9 percent from 6.6 percent for the same period last year. A CSU forecast predicted a 2.7 percent job growth in 1998 and 2.4 percent in 1999.

Home sales for the first six months of 1998 increased 1.3 percent over the same period last year, with median prices increasing 2 percent to \$207,000. New home construction in 1997 maintained 1996 activity levels while the commercial and industrial valuation and units grew 12 percent. The residential resale market increased 18 percent in 1997. The economy continues to move forward at a stable pace. We're expecting the County to rebound even further, as well as continue to create more new jobs. Over a period of time, the increase in real estate activity and increases in property values should be reflected in larger assessed valuations and more property taxes.

Ventura County's population is estimated at 730,850 as of January 1, 1998, a 1.4 percent annual growth. The County is twelfth in population size among California counties. Since 1990, the County has grown 9.2 percent and has had a 38 percent total increase since the 1980 Census. It is anticipated that the County will experience continued growth, due to its climate and proximity to the Los Angeles metropolitan area.

Overall, the local economy continues to improve and moderate growth is expected for the remainder of 1998.

Revenue Limitations

Counties continue to be heavily dependent on decreasing federal and state resources and yet must respond to increases in mandated services by the State. Ventura County, similar to other California counties, continues to be impacted by the State's 1992-93 and 1993-94 transfer of property taxes from counties to schools. The counties have attempted, so far unsuccessfully, to negotiate with the State to return some of the funding, including the future increases on that tax base. A comparison of General Fund property tax revenue from 1990-91 to 1995-96 represents an annual decline of \$46 million or 39 percent. Although offset by \$35 million of Proposition 172 public safety monies restricted

for public safety programs, the decline in discretionary revenues is a serious problem for California counties.

The initiative process in California has produced several critical revenue limiting constitutional or statutory provisions. In 1978 Article XIII A of the California Constitution limited the maximum ad valorem tax on real property to one percent (1 percent) of "full cash value."

In 1986 (upheld by the Supreme Court in 1995 and expanded in 1996), Proposition 62 was approved requiring taxes for general governmental purposes and special taxes to receive specified Board and electorate approval. In 1996, voters approved Proposition 218 which adds a constitutional amendment containing many interrelated provisions affecting local government's ability to levy, collect or increase certain taxes, assessments, fees and charges. The ultimate impact will be determined by future court interpretations. The County has continued to meet its obligations; however, any of these propositions could limit future revenue streams or services.

The gradual recovery of the State and local economies may provide some increases in revenues. Property taxes increased and intergovernmental revenues remained even and comprise 23.6 and 49.9 percent of our financing sources for all governmental fund types. Future financing of governmental operations continues to be dependent upon: (1) the ability and desire of the federal and state governments to provide funding to ensure continuity of County services; (2) local economic conditions impacting the assessed values of properties and sales tax-based revenues; (3) the global economy impacts on federal, state and local governments; (4) the ability of the County to identify and achieve increased revenues; and (5) the level of County productivity improvements achieved and their corresponding cost reductions.

MAJOR INITIATIVES AND CHALLENGES

The County of Ventura continues to implement major initiatives and develop methods to meet the fiscal challenges facing all California counties. The 1998-99 General Fund budget was balanced without the use of reserves and designations. A primary challenge for the County is continued discipline in the budget reduction process to maintain the fiscal integrity of the County.

State programs offer unique challenges for the County. The County continues to participate in the State AB818 loan program for the Assessor which allows funding for increased staff and equipment to reduce property tax adjustment backlogs. Upon completion of stated performance goals, the loan will be forgiven.

The County also participates in the public safety programs funded partially by Proposition 172 state sales tax funding for public safety departments -- Sheriff, District Attorney, Probation Agency, and Public Defender. The public safety departments are also protected from budget cuts as a result of a 1994 County ordinance. The 1997-98 Proposition 172 funding represents approximately 21 percent of the public safety budgets. The challenge continues for the County of Ventura to maintain General Fund funding of the remaining 79 percent as growth in public safety programs continues.

The County developed an early integrated collaborative Welfare Reform plan utilizing state and federal programs and County Human Services Agency, Workforce Development and other departments, as well as community based/nonprofit organizations. The area one-stop centers planning is well underway. The plan is to be further implemented in 1998-99 to allow the County to respond effectively to the welfare reform provisions required as of January 1, 1998, within State CalWORKs funding and regulations for work participation.

In April, the Behavioral Health Department (mental health and drug/alcohol) was reorganized under the new Human Services Agency including the prior Public Social Services Agency. The County has requested federal and state approval of the move from the Health Care Agency.

Trial Court funding provided additional opportunities and challenges effective January 1, 1998. Local counties and courts will develop agreements for required reorganization of tasks and services, such as contracts for bailiff services. The State is responsible for future growth of trial court funding. During a transition period of up to three years, State task forces expect to resolve facilities and employee issues. The consolidated courts budgets are approved by state Judicial Council, and the local presiding judge is responsible for approval of local level court expenditures. Counties are responsible for facility costs, local judicial benefits, indigent defense, and annual payments to the State equivalent to 1994-95 County funding levels. County required costs which are not reimbursable by the State are included in a General Fund budget unit. Courts' expenditures are included in a special revenue fund for the first six months of 1997-98, and in an agency fund for the second six months.

The County has worked with the seven cities and the unincorporated communities participating in the Ventura County Free Library System to develop a stronger program with increased accessibility for the citizens. A Memorandum of Understanding established a Library Commission to develop Library guidelines and budget recommendations to the Board of Supervisors.

The County continues to be involved with economic development programs, including the Ventura County Redevelopment Agency for the Piru area and the continued growth of the Economic Development Collaborative (EDC-VC), Regional Defense Partnership-2100, and the Heritage Valley Tourism Program.

The Ventura County Deputy Sheriffs' Association prevailed in a lawsuit against the Board of Retirement for the Ventura County Employees' Retirement Association (VCERA) involving "compensation earnable." The result of this decision caused a number of items paid in cash to now be included in the base on which retirement benefits are calculated. It is not possible to determine when additional costs will materialize in the employer contributions to the retirement system due to the pending court cases and actuarial studies and the offsetting impact of the actuarial surplus. Due to an actuarial surplus at June 30, 1997, the Board of Supervisors established a contribution rate of .09 percent for fiscal year 1998-99, a reduction from 4.14 percent.

New technology and Year 2000 (Y2K) continue to be coordinated by the Information Technology Committee (ITC), the Information Systems Department, and the Chief Administrative Office. The Justice departments' integrated justice information system (VCJIS) will be funded by a borrowing program. During 1997-98, the Auditor-Controller's Office and Information Systems Department implemented a new Financial Management System (VCFMS) as a central accounting, financial management, and reporting system.

The County has adopted Y2K policies and guidelines for a six-phase process of risk management, inventory and prioritization, assessment, remediation and testing implementation and contingency planning. The County believes its computers, software and other equipment with embedded chips will be year 2000 ready, and that it will be able to provide services beyond 1999. However, no guaranty or assurances can be given with respect to the year 2000 issues because of the many uncertainties related to systems or products of other companies, customers or vendors.

It is anticipated that the County will continue its conservative fiscal management.

FINANCIAL INFORMATION

Internal and Budgetary Controls

The County maintains an internal control structure designed to ensure that assets of the government are protected from loss, theft, or misuse and to ensure adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding the safeguarding of assets

against loss from unauthorized use or disposition, and to ensure the reliability of financial records for preparing financial statements and maintaining accountability for assets.

The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived. Also, the evaluation of costs and benefits requires estimates and judgments by management. All internal accounting control evaluations occur within the above framework. We believe the County's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

As a recipient of federal and state financial assistance, the County is also responsible for ensuring an adequate internal control structure is in place to ensure and document compliance with applicable laws and regulations related to those programs.

In accordance with the California Government Code, the County of Ventura adopts an annual budget for operations. The legal level of budgetary control (the level at which expenditures cannot legally exceed the appropriated amount) is at the department/budget unit and object level of expenditures except fixed assets which are controlled at the sub-object level. The Board has delegated authority to the Chief Administrative Officer to approve appropriation transfers within each department under their approved authority to allow flexibility in managing their departments. Appropriation transfers between departments/budget units must be approved by the Board. All unencumbered and unexpended appropriations lapse at the end of each fiscal year and become available to finance the next year's budget. Encumbered appropriations are reappropriated in the next year's budget. Encumbrances outstanding at year-end are recorded as reservations of fund balance.

Basis of Accounting

The modified accrual basis of accounting is followed for all governmental fund types and Agency Funds (assets and liabilities only). Revenues which are susceptible to accrual include federal and state grants, property taxes, sales taxes, interest, franchises, and charges for current services. Revenues which are not considered susceptible to accrual include certain licenses, permits, fines, forfeitures, and penalties. Expenditures are recorded when the fund liability is incurred, except principal on general long-term debt which is recognized when payment is due or paid, whichever is earlier. Interest expenditures on general long-term debt are recognized as incurred to the extent of available financial resources. Depreciation of general fixed assets is not recognized as an expenditure in governmental fund types but is maintained on a memorandum basis only in the County's accounting records.

The accrual basis of accounting is followed for all proprietary fund types, the external investment trust, and the Pension Trust Fund. Under the accrual basis, revenues and contributions are recognized in the period in which they are earned and due and become measurable, and expenses including depreciation are recognized in the period incurred.

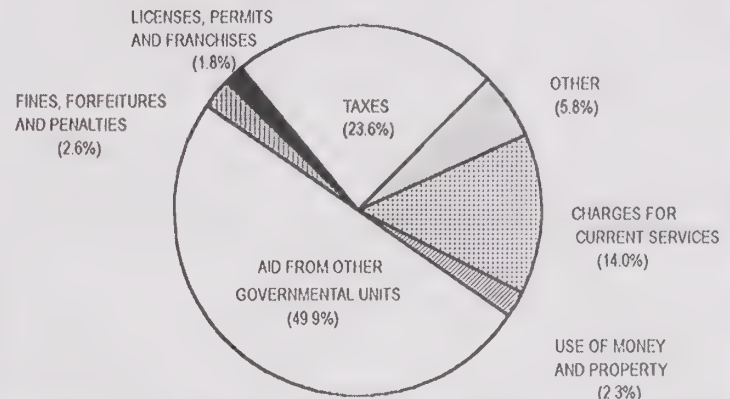
General Government Functions

The following schedule presents a summary of revenues and expenditures for all governmental fund types (General, Special Revenue, Debt Service, and Capital Projects Funds) for the year ended June 30, 1998. Also, presented are dollar and percentage increases and decreases from the previous fiscal year.

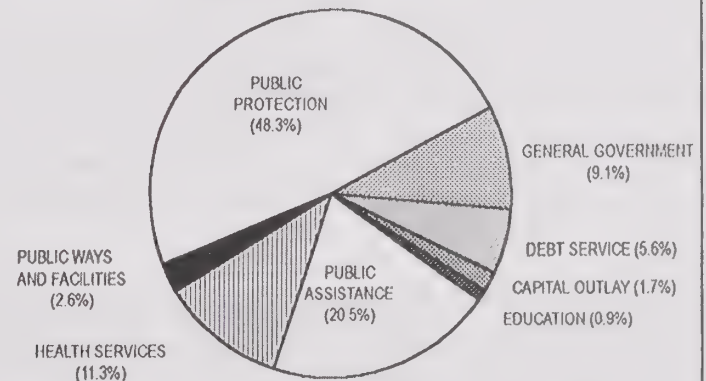
**FINANCIAL OPERATING HIGHLIGHTS
ALL GOVERNMENTAL FUND TYPES
YEAR ENDED JUNE 30, 1998
(In Thousands)**

	1997-98 <u>Amount</u>	Percent <u>of Total</u>	Increase (Decrease) from 1996-97 <u>Dollars</u>	<u>Percent</u>
REVENUES:				
Taxes	\$147,741	23.6%	10,201	7.4%
Licenses, permits & franchises	11,001	1.8%	2,785	33.9%
Fines, forfeitures, and penalties	16,292	2.6%	4,760	41.3%
Revenues from use of money and property	14,346	2.3%	1,829	14.6%
Aid from other governmental units	312,935	49.9%	485	0.2%
Charges for current services	88,084	14.0%	(4,998)	(5.4%)
Other	<u>36,734</u>	<u>5.8%</u>	<u>(833)</u>	<u>(2.2%)</u>
Total revenues	<u>\$627,133</u>	<u>100.0%</u>	<u>\$14,229</u>	<u>2.3%</u>
EXPENDITURES:				
Current:				
General government	\$57,815	9.1%	\$3,024	5.5%
Public Protection	306,184	48.3%	11,710	4.0%
Public ways and facilities	16,199	2.6%	5,946	58.0%
Health services	71,501	11.3%	495	0.7%
Public assistance	129,836	20.5%	(6,225)	(4.6%)
Education	6,010	0.9%	(50)	(0.8%)
Capital outlay	10,759	1.7%	3,406	46.3%
Debt service	<u>35,344</u>	<u>5.6%</u>	<u>1,120</u>	<u>3.3%</u>
Total expenditures	<u>\$633,648</u>	<u>100%</u>	<u>\$ 19,426</u>	<u>3.2%</u>

**COUNTY OF VENTURA
ALL GOVERNMENTAL FUND TYPES
REVENUES 1997/98**



**COUNTY OF VENTURA
ALL GOVERNMENTAL FUND TYPES
EXPENDITURES 1997/98**



Total revenues increased 2.3% for the year ended June 30, 1998, compared to the previous year, due to various factors. Taxes increased 7.4 percent, primarily due to the increase in assessed valuations and the reversal of the Fire District's prior year loss to ERAF resulting from legislative changes. Revenue from licenses, permits, and franchises increased by 33.9 percent, primarily from the recognition of prior year collections of business certificates revenue held for the outcome of Proposition 62 court cases. Fines, forfeitures, and penalties increased by 41.3 percent, due to changes in trial court funding. Revenues from the use of money and property increased by 14.6 percent, primarily because certain funds maintained larger cash balances than in the prior year. The 5.4 percent decrease in charges for current services was attributable primarily to nonrecurring internal service fund refunds in 1996-97. The 2.0 percent decrease in other revenue was primarily related to a rate change in charges to departments for the Pension Obligation Bond Debt Service fund.

The overall increase in expenditures was 3.2 percent compared to the prior year. General government spending increased by 5.5 percent, primarily due to the increased intergovernmental transfers to the state for the disproportionate share program of the Medical Center, plus a contribution to Information Services for the Year 2000 Project. Public protection expenditures increased by 4.0 percent due to expenditures related to the public safety departments. The 58.0 percent increase in public ways and facilities was attributable to the cost of repairs resulting from storm damages. The public assistance decrease of 4.6 percent was attributable to the decrease in Aid to Families with Dependent Children(AFDC) / Temporary Assistance to Needy Families(TANF) caseload. The 46.3 percent increase in capital outlay was due primarily to the acquisition of the Chevron and Knoll buildings, and a sewer construction project. The debt service expenditures increased by 3.3 percent due to principal maturities.

General Fund Reserved and Unreserved Fund Balance

The General Fund maintained a general reserve of \$5,000,000. The County had an unreserved fund balance in the General Fund at the end of the year in the amount of \$14,642,000, a net decrease of \$1,790,000 from June 30, 1997. The unreserved, designated fund balance was unchanged at \$13,005,000 for tentative plans for future financial resource utilization. The unreserved, undesignated fund balance of \$1,637,000 (\$1,790,000 less than the previous year) was available to finance a portion of the fiscal year 1998-99 budget.

Pension Trust Fund Operations

Total additions for the Ventura County Employees' Retirement Association Pension Trust Fund were \$342,750,000 for fiscal year 1997-98 compared to \$311,035,000 in the prior year which is primarily due to an increase in the fair value of investments. The fair value of the Pension Trust Fund investment portfolio (Note 2 of the Notes to Financial

Statements) increased in 1997-98 by \$113,441,000, due primarily to an exceptional year in the financial markets for the second consecutive year. Total deductions of \$53,749,000 represent an increase of \$5,080,000 or 10.4 percent over fiscal year 1996-97. This increase was mainly in the area of benefit payments.

Enterprise Operations

The County's enterprise operations are comprised of the medical center, health care plan, recreational facilities, small craft harbor, airports, and waterworks districts. The following schedule summarizes results of operations for all Enterprise Funds and presents the dollar and percentage increase or decrease from the previous fiscal year.

FINANCIAL OPERATING HIGHLIGHTS ALL ENTERPRISE FUNDS YEAR ENDED JUNE 30, 1998 (In Thousands)				
	1997-98 Amount	Percent of Total	Increase (Decrease) from 1996-97	
			Dollars	Percent
OPERATING REVENUES				
Charges for services	\$113,248	94.2%	(\$2,370)	(2.0%)
Rents and royalties	6,975	5.8%	127	1.9%
Total operating revenues	<u>\$120,223</u>	<u>100.0%</u>	<u>(\$2,243)</u>	<u>(1.8%)</u>
OPERATING EXPENSES				
Salaries and benefits	\$44,251	38.4%	(\$698)	(1.6%)
Services and supplies	54,741	47.4%	(1,716)	(3.0%)
Insurance	3,229	2.8%	(398)	(11.0%)
Utilities	1,437	1.3%	(15)	(1.0%)
Depreciation and amortization	5,696	4.9%	54	1.0%
Other expense or loss	6,048	5.2%	301	5.2%
Total operating expenses	<u>\$115,402</u>	<u>100.0%</u>	<u>(\$2,472)</u>	<u>(2.1%)</u>

Operating revenues for the year ended June 30, 1998, were \$120,223,000 compared to \$122,466,000 in the prior year, representing a decrease of 1.8 percent, primarily due to Waterworks. Excess rainfall from El Nino storms resulted in reduced demand for water.

Total operating expenses for the year ended June 30, 1998, were \$115,402,000, with salaries and benefits and services and supplies accounting for 85.8 percent of the costs.

Operating income for the Enterprise Funds was \$4,821,000 compared to \$4,592,000 for the prior year. The increase was primarily attributable to an increase in Airports revenue resulting from an insurance settlement for fire damages.

During fiscal year 1997-98, contributions totaling \$6,067,000 were made from the County's General Fund to the Medical Center, a decrease of \$124,000 over the prior year. In addition, \$8,740,000 of vehicle fee based state realignment funds were transferred to the Medical Center, an increase of \$806,000. Transfers out in the amount of \$19,211,000 are primarily related to a required return by the Medical Center to the General Fund under the disproportionate share hospital program.

Debt Administration

The County adheres to prudent financial practices regarding all debt financing. This conservative approach has earned the County high ratings of A and A1 by Standard & Poor's Corporation and Moody's Investors Service, respectively.

Voter-approved general obligation bonds outstanding for the Flood Control and Waterworks Districts amounted to \$4,555,000 as of June 30, 1998. Useful indicators of the County's debt position include the following: ratio of general bonded debt to assessed value (.0001), amount of bonded debt per capita (\$6.23), and legal debt limit (\$593,684,000). A ten-year summary of these indicators is provided on page 116.

The County of Ventura has an annual borrowing program which finances operations during periods of low cash flows due to periodic collection dates of property taxes. On July 1, 1997, the County borrowed \$100,000,000 in order to meet 1997-98 cash flow requirements for operational needs. These funds were obtained through the issuance of fixed-rate tax and revenue anticipation notes (TRANS). At June 30, 1998, the outstanding principal and interest balance was \$104,500,000 which was paid July 1, 1998. The notes are collateralized by fiscal year 1997-98 unrestricted revenues. The notes received ratings of SP-1+ and MIG 1, the highest rating for short-term securities, by Standard & Poor's Corporation and Moody's Investors Service, respectively. The County intends to continue using short-term borrowing programs in future years as needed.

At June 30, 1998, the total outstanding balances of long-term obligations are \$220,224,000 for governmental funds and \$14,923,000 for enterprise and internal service funds (Note 8 of the Notes to Financial Statements).

Cash Management

Cash is pooled for the purpose of increasing interest income through investment activities, and includes the internal pool component for County related investments recorded in the various funds, and the external pool recorded as the External Investment Trust Fund in

the trust and agency funds. Pooled investments are stated at fair value in accordance with GASB Statement No. 31. Cash and investments with the County Treasurer, including United States Treasury and agency obligations, commercial paper, corporate notes, and other investments, amounted to \$794,020,000 at June 30, 1998 (Note 2 of the Notes to Financial Statements). The average yield on investments for fiscal year 1997-98 was 5.74 percent. This yield compares favorably with the average yield of United States Treasury bills and notes for the same period.

The County's investment policy is to minimize credit and market risks while maintaining a competitive yield on its portfolio. Bank deposits of \$100,000 or less are insured by FDIC insurance. Certain bank deposits over \$100,000 are required by the California Government Code to be collateralized with U.S. Treasury securities or first trust deed mortgages. The collateral is held by the pledging financial institution's trust department and is considered held in the County's name. The remaining deposits are uncollateralized. Substantially all of the County's investments held during fiscal year 1997-98 were classified as Category 1 which indicates the level of credit risk as defined by GASB Statement No. 3. These investments were either insured or registered or held by the County, or by its agent in the County's name.

Risk Management

The County is self-insured for various types of risk including general liability, property damage, and for the 50 percent deductible on medical malpractice (Notes 11 and 17 of the Notes to the Financial Statements). As of July 1, 1995, commercial coverage was purchased for workers' compensation liability. In fiscal year 1997-98 the County acquired additional coverage for the remaining portfolio of claims. The County was self-insured for group medical benefits through December 18, 1993. For group medical benefits, Human Resources obtained commercially insured plans and Ventura County Health Care Agency administered a self-insured health plan. Unemployment and disability insurance is also self-insured. The revenue received, funded liability reserves, and retained earnings at June 30, 1998, are considered adequate by management to cover the ultimate cost to defend or settle claims arising from these risks.

OTHER INFORMATION

Independent Audit

The general purpose financial statements have been audited by the certified public accounting firm of KPMG Peat Marwick LLP. The County's independent auditors have reviewed the adequacy of internal accounting controls and the supplementary financial information included in the Comprehensive Annual Financial Report as they relate to the

fairness of presentation of the County's general purpose financial statements. The auditors' report is included in the Financial Section of this report.

Certificate of Achievement

The Government Finance Officers' Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the County of Ventura for its Comprehensive Annual Financial Report for the year ended June 30, 1997. This was the fourteenth consecutive year the County has received this award.

In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA to determine its eligibility for a Certificate of Achievement for Excellence in Financial Reporting for the year ended June 30, 1998.

Acknowledgments

The preparation of this report could not have been accomplished without the efficient and dedicated services of the entire staff of the Auditor-Controller's Office. I express my appreciation to members of the Auditor-Controller's Office and our independent auditors, KPMG Peat Marwick LLP, all of whom assisted in and contributed to its preparation. I also thank the Board of Supervisors and the Chief Administrative Office for their interest and support in planning and conducting the financial operations of the County in a responsible and effective manner.

Respectfully submitted,



THOMAS O. MAHON
Auditor-Controller



Certificate of Achievement for Excellence in Financial Reporting

Presented to

County of Ventura,
California

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 1997

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



Douglas R. Ellsworth
President

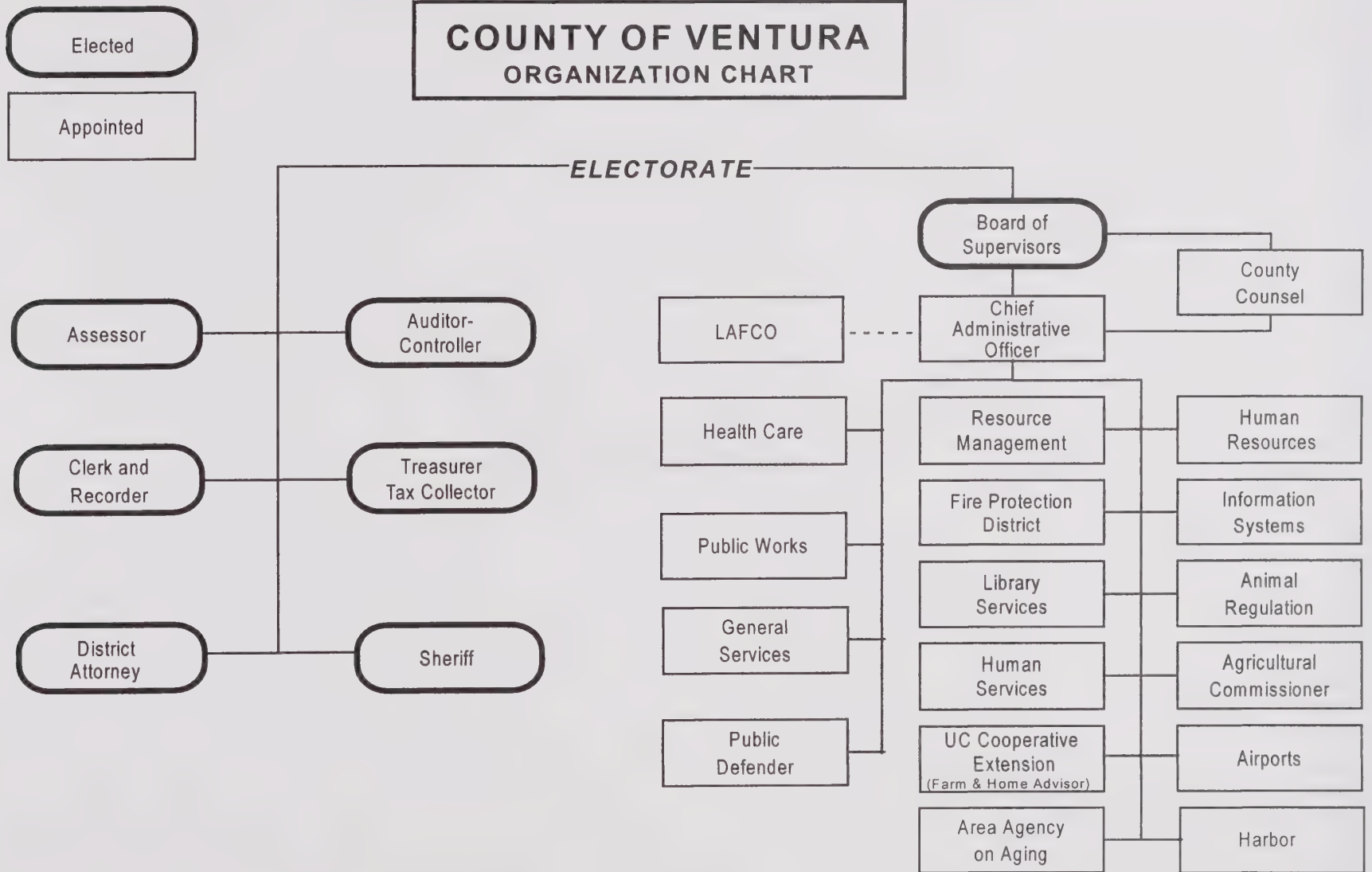
Jeffrey L. Esler
Executive Director

COUNTY OF VENTURA
ELECTED COUNTY OFFICIALS
JUNE 30, 1998

<u>OFFICIALS</u>	<u>POSITION</u>
Susan K. Lacey	Supervisor, First District
Frank Schillo	Supervisor, Second District
Kathy I. Long	Supervisor, Third District
Judy Mikels, Chair	Supervisor, Fourth District
John K. Flynn	Supervisor, Fifth District
Glenn Gray	Assessor
Thomas O. Mahon	Auditor-Controller
Richard D. Dean	Clerk and Recorder
Michael D. Bradbury	District Attorney
Bob Brooks	Sheriff
Harold S. Pittman	Treasurer-Tax Collector Public Administrator Public Guardian

COUNTY OF VENTURA

ORGANIZATION CHART



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Financial Section

Independent Auditors' Report

The Honorable Board of Supervisors
County of Ventura, California:

We have audited the general purpose financial statements of the County of Ventura, California as of and for the year ended June 30, 1998, as listed in the accompanying table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the County of Ventura, California as of June 30, 1998 and the results of its operations and the cash flows of its proprietary and similar trust fund types for the year then ended in conformity with generally accepted accounting principles.

As discussed in note 1 of the notes to the general purpose financial statements, the County adopted Governmental Accounting Standards Board Statement No. 31, "Accounting and Financial Reporting for Certain Investments and External Investment Pools," effective July 1, 1997. Also, as discussed in note 16 of the notes to the general purpose financial statements, the County adopted Governmental Accounting Standards Board Statement No. 32, "Accounting and Financial Reporting for IRS Section 457 - Deferred Compensation," effective June 30, 1998.

In accordance with Government Auditing Standards, we have also issued a report dated October 30, 1998 on our consideration of the County of Ventura's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining, individual fund and account group financial statements and schedules listed in the accompanying table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the County of Ventura, California. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly presented, in all material respects, in relation to the general purpose financial statements taken as a whole.

KPMG Peat Marwick LLP

October 30, 1998

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General Purpose Financial Statements

GENERAL PURPOSE FINANCIAL STATEMENTS

COUNTY OF VENTURA INTRODUCTION AND FUND TYPE, ACCOUNT GROUP, AND DISCRETELY PRESENTED COMPONENT UNIT DESCRIPTIONS JUNE 30, 1998

INTRODUCTION

These statements present the financial position of all fund types, account groups, and discretely presented component units, the operating results of all governmental funds, proprietary funds, the Pension Trust Fund, and discretely presented component units, cash flows of proprietary funds, and a comparison of budgeted operating results with actual operating results on a budgetary basis for funds which have legally adopted budgets. The notes to the general purpose financial statements, which follow, provide disclosures of the County of Ventura's (County) significant accounting policies and additional information as to the composition of certain accounts and are an integral part of the financial statements. The general purpose financial statements also serve as an introduction to the more detailed individual fund and combining statements and schedules which follow as additional financial information. The composition of the various fund types is described below.

GENERAL FUND

The General Fund finances the legally authorized activities of the County not provided for in other specialized funds. General Fund revenues include taxes, licenses, permits, franchises, fines, forfeitures, penalties, revenues from use of money and property, aid from other governmental units, charges for current services, and other miscellaneous revenues. General Fund expenditures are classified by the current functions of general government, public protection, health services, public assistance and education, as well as capital outlay expenditures to purchase property and equipment and debt service expenditures to pay principal, interest, and charges on capital leases and short-term debt. Budget appropriations are made from the fund annually.

SPECIAL REVENUE FUNDS

Special revenue funds are established to account for particular governmental activities and are financed by receipts of specific taxes or other earmarked revenues. Such funds are authorized by statutory or charter provisions to pay for certain activities of a continuing nature. Included in the special revenue funds are the Roads, County Library, Housing and Urban Development (H.U.D.) Grants, Loan Funds, Fish and Game, Domestic Violence Program, Trial Court Operations (for the first six months), Flood Control District, Solid Waste, County Service Areas, Fire Protection District, Workforce Development, Spay/Neuter Program, Inmate Welfare, and Redevelopment Agency funds. Special Revenue Funds include the general funds of the Ventura County Flood Control District and Fire Protection District which are included in the County reporting entity as a result of the County's financial accountability for these districts.

DEBT SERVICE FUNDS

Debt service funds are used to accumulate resources for the payment of principal and interest on general and pension obligation and revenue bonds and certificates of participation issued. Debt service funds include the Public Facilities Corporation, Other Public Authorities (which include the library activities of the Simi Valley Civic Center Authority and the Camarillo Library Authority), Flood Control District, Pension Obligation Bonds, and Redevelopment Agency funds.

CAPITAL PROJECTS FUND

The Capital Projects Fund is used to account for financial resources used in constructing major facilities of the Public Facilities Corporation. Project budgets were adopted at the beginning of the projects and are modified by the Board of the Public Facilities Corporation and the Board of Supervisors periodically during the course of construction as circumstances require.

(Continued)

COUNTY OF VENTURA
INTRODUCTION AND FUND TYPE, ACCOUNT GROUP, AND DISCRETELY PRESENTED COMPONENT UNIT DESCRIPTIONS
JUNE 30, 1998
(Continued)

ENTERPRISE FUNDS

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The Medical Center, Recreation, Airports, Channel Islands Harbor Expansion, Waterworks Districts, Channel Islands Harbor, and Ventura County Health Care Plan funds comprise the funds in this group.

INTERNAL SERVICE FUNDS

Internal service funds are established to account for services furnished to County departments and agencies. They are exempt from legal compliance for budgetary control and follow commercial accounting principles for a determination of operating, rather than budgetary results. Their major source of revenue consists of charges to user departments and agencies for services rendered. These charges are based upon standard rates calculated on an estimated cost recovery basis. These funds are Public Works Services, Heavy Equipment, Transportation, General Insurance, Information Systems, General Services, Employee Benefits Insurance, and Personnel Services funds.

PENSION TRUST AND AGENCY FUNDS

The County maintains a Pension Trust Fund which accounts for the activities of the Ventura County Employees' Retirement Association. The County also, in a fiduciary capacity, maintains numerous agency funds which are used to account for assets held for others by the County. These funds include County funds, which are segregated from other County funds for purposes of control, property taxes collected on behalf of other governmental units, and the external investment trust for monies held by the County

Treasurer for various other governmental entities, such as school districts and special districts, and effective January 1, 1998, trial court funding.

GENERAL FIXED ASSETS ACCOUNT GROUP

The General Fixed Assets Account Group is used to account for property and equipment purchased by or donated to certain governmental fund types (the General Fund, special revenue funds, and the capital projects fund). These assets are used in the normal operations of the County and do not represent financial resources available for expenditure. Accordingly, this account group is used to provide accountability and control for the County's property and equipment. Depreciation is provided on these assets on a memorandum basis only, and is not charged as expenditures to governmental fund types.

GENERAL LONG-TERM OBLIGATIONS ACCOUNT GROUP

The General Long-Term Obligations Account Group is used to account for the long-term debt of the County, Flood Control District, and various public authorities, long-term capital lease obligations incurred by the General Fund and special revenue funds, and the long-term portion of pension obligation bonds, employee compensated absences and other liabilities associated with the General Fund and special revenue funds. Lease obligations, debt, and employee compensated absences liabilities incurred by enterprise funds, internal service funds, and the Pension Trust Fund are accounted for in those funds.

DISCRETELY PRESENTED COMPONENT UNIT

Discretely presented component unit accounts for the activities of the Air Pollution Control District. This component unit is a legally separate entity which is governed by a board of directors separate from the Board of Supervisors. It is presented discretely because of their ability to provide financial benefits to, or impose financial burdens on, the County of Ventura.

COUNTY OF VENTURA
COMBINED BALANCE SHEET
ALL FUND TYPES, ACCOUNT GROUPS, AND DISCRETELY PRESENTED COMPONENT UNIT
JUNE 30, 1998
(In Thousands)

ASSETS AND OTHER DEBITS	GOVERNMENTAL FUND TYPES				PROPRIETARY FUND TYPES		FIDUCIARY FUND TYPES	ACCOUNT GROUPS		PRIMARY GOVERNMENT TOTAL (MEMORANDUM ONLY)	FIDUCIARY COMPONENT UNIT	REPORTING ENTITY TOTAL (MEMORANDUM ONLY)
	GENERAL	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS	ENTERPRISE	INTERNAL SERVICE	PENSION TRUST AND AGENCY	GENERAL FIXED ASSETS	GENERAL LONG-TERM OBLIGATIONS			
Assets:												
Cash and cash equivalents (Note 2)	\$ 12,161	\$56,378	\$ 1,519	\$ 2,250	\$ 47,847	\$30,016	\$ 707,225	\$ -	\$ -	\$ 857,396	\$3,742	\$ 861,138
Investments (Note 2)	-	-	13,288	3,414	-	-	2,018,777	-	-	2,035,479	-	2,035,479
Accounts receivable, net of allowance for contractual and uncollectible accounts (Note 11)	50,546	6,204	806	952	14,846	877	24,930	-	-	99,161	1,252	100,413
Loans receivable	324	1,495	-	-	-	-	-	-	-	1,819	-	1,819
Property taxes receivable (Note 3)	114	64	-	-	-	-	27,505	-	-	27,683	-	27,683
Contributions receivable	-	-	-	-	-	-	1,692	-	-	1,692	-	1,692
Due from other funds (Note 9)	119,117	8,772	5	-	2,977	18,102	5,587	-	-	154,560	-	154,560
Due from primary government (Note 9)	-	-	-	-	-	-	-	-	-	-	10	10
Due from component unit (Note 9)	2	-	-	-	-	14	-	-	-	16	-	16
Inventories and other assets	14	613	-	-	13,352	2,339	-	-	-	16,318	-	16,318
Restricted assets; (Note 2)												
Investments	-	-	-	-	819	113	-	-	-	932	-	932
Deposits	-	-	-	-	1,051	-	-	-	-	1,051	-	1,051
Fixed assets (Notes 4 & 7)	-	-	-	-	185,643	59,660	-	316,799	-	562,102	1,383	563,485
Accumulated depreciation and amortization	-	-	-	-	(68,326)	(35,803)	-	(86,384)	-	(190,513)	-	(190,513)
Notes receivable and other long-term assets	-	-	-	-	23	-	-	-	-	23	-	23
Other debits:												
Amounts available in debt service funds	-	-	-	-	-	-	-	-	14,685	14,685	-	14,685
Amounts to be provided for payment of long-term obligations	-	-	-	-	-	-	-	-	205,539	205,539	216	205,755
Total assets and other debits	<u>\$182,278</u>	<u>\$73,526</u>	<u>\$15,618</u>	<u>\$6,616</u>	<u>\$198,232</u>	<u>\$ 75,318</u>	<u>\$2,785,716</u>	<u>\$230,415</u>	<u>\$220,224</u>	<u>\$3,787,943</u>	<u>\$6,603</u>	<u>\$3,794,546</u>

(CONTINUED)

COUNTY OF VENTURA
COMBINED BALANCE SHEET
ALL FUND TYPES, ACCOUNT GROUPS, AND DISCRETELY PRESENTED COMPONENT UNIT
JUNE 30, 1998
(In Thousands)
(CONTINUED)

LIABILITIES, EQUITY, AND OTHER CREDITS	GOVERNMENTAL FUND TYPES				PROPRIETARY FUND TYPES		FIDUCIARY FUND TYPES	ACCOUNT GROUPS		PRIMARY GOVERNMENT TOTAL (MEMORANDUM ONLY)	COMPONENT UNIT	REPORTING ENTITY TOTAL (MEMORANDUM ONLY)
	GENERAL	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS	ENTERPRISE	INTERNAL SERVICE	PENSION TRUST AND AGENCY	GENERAL FIXED ASSETS	GENERAL LONG-TERM OBLIGATIONS			
Liabilities:												
Accounts payable	\$ 7,334	\$2,852	\$ -	\$ -	\$ 4,255	\$3,527	\$ 214,241	\$ -	\$ -	\$ 232,209	\$ 33	\$ 232,242
Accrued liabilities	30,313	4,349	600	-	5,031	3,825	-	-	-	44,118	698	44,816
Tax and revenue anticipation notes payable (Note 6)	100,000	-	-	-	-	-	-	-	-	100,000	-	100,000
Funds held for County departments	-	-	-	-	-	-	67,139	-	-	67,139	-	67,139
Taxes due to other governmental units	-	-	-	-	-	-	25,909	-	-	25,909	-	25,909
Teeter tax reserve	-	-	-	-	-	-	40,701	-	-	40,701	-	40,701
Funds held for other governmental units	-	-	-	-	-	-	404,786	-	-	404,786	-	404,786
Due to other funds (Note 9)	13,599	4,011	333	2,205	12,620	1,044	120,748	-	-	154,560	-	154,560
Due to primary government (Note 9)	-	-	-	-	-	-	-	-	-	-	16	16
Due to component unit (Note 9)	-	-	-	-	-	-	10	-	-	10	-	10
Current portion of capital lease obligations and loans and bonds payable (Notes 7 & 8)	-	-	-	-	1,877	213	-	-	-	2,090	-	2,090
Deferred revenue	3,497	2,838	-	-	598	113	-	-	-	7,046	314	7,360
Accrued insurance losses	-	-	-	-	713	14,498	-	-	-	15,211	-	15,211
Medical malpractice liability (Note 11)	-	-	-	-	3,804	-	-	-	-	3,804	-	3,804
Other liabilities	-	561	-	-	734	798	-	-	-	2,093	-	2,093
Long-term compensated absences (Note 8)	-	-	-	-	901	2,208	-	-	17,083	20,192	216	20,408
Long-term obligations (Notes 7 & 8)	-	-	-	-	9,368	356	-	-	203,141	212,865	-	212,865
Total liabilities	154,743	14,611	933	2,205	39,901	26,582	873,534	-	220,224	1,332,733	1,277	1,334,010
Equity and other credits:												
Investment in general fixed assets	-	-	-	-	-	-	-	230,415	-	230,415	1,383	231,798
Contributed capital (Note 14)	-	-	-	-	103,259	29,871	-	-	-	133,130	-	133,130
Retained earnings (Note 14) Unreserved	-	-	-	-	55,072	18,865	-	-	-	73,937	-	73,937
Fund balances (Notes 10 & 15) Reserved	12,893	11,175	9,633	-	-	-	1,912,182	-	-	1,945,883	556	1,946,439
Unreserved												
Designated	13,005	16,505	-	-	-	-	-	-	-	29,510	-	29,510
Undesignated	1,637	31,235	5,052	4,411	-	-	-	-	-	42,335	3,387	45,722
Total equity and other credits	27,535	58,915	14,685	4,411	158,331	48,736	1,912,182	230,415	-	2,455,210	5,326	2,460,536
Total liabilities, equity, & other credits	182,278	73,526	15,618	6,616	198,232	75,318	2,785,716	230,415	220,224	3,787,943	6,603	3,794,546

The notes to the financial statements are an integral part of this statement.

COUNTY OF VENTURA
COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
ALL GOVERNMENTAL FUND TYPES AND DISCRETELY PRESENTED COMPONENT UNIT
YEAR ENDED JUNE 30, 1998
(In Thousands)

	GENERAL FUND	SPECIAL REVENUE FUNDS	DEBT SERVICE FUNDS	CAPITAL PROJECTS FUND	PRIMARY GOVERNMENT TOTAL (MEMORANDUM ONLY)	COMPONENT UNIT	REPORTING ENTITY TOTAL (MEMORANDUM ONLY)
Revenues:							
Taxes (Note 3)	\$ 87,294	\$ 58,763	\$ 1,684	\$ -	\$ 147,741	\$ -	\$ 147,741
Licenses, permits, and franchises	9,846	1,155	-	-	11,001	2,193	13,194
Fines, forfeitures, and penalties	15,996	296	-	-	16,292	163	16,455
Revenues from use of money and property	7,870	5,037	1,135	304	14,346	240	14,586
Aid from other governmental units	270,076	42,800	59	-	312,935	3,365	316,300
Charges for current services	74,941	13,143	-	-	88,084	49	88,133
Other	12,541	5,474	18,719	-	36,734	8	36,742
Total revenues	478,564	126,668	21,597	304	627,133	6,018	633,151
Expenditures:							
Current:							
General government	57,786	-	29	-	57,815	-	57,815
Public protection	224,307	81,877	-	-	306,184	5,528	311,712
Public ways and facilities	-	16,199	-	-	16,199	-	16,199
Health services	71,501	-	-	-	71,501	-	71,501
Public assistance	115,783	14,053	-	-	129,836	-	129,836
Education	363	5,647	-	-	6,010	-	6,010
Capital outlay	8,082	2,347	-	330	10,759	55	10,814
Debt service:							
Principal retirement	650	-	17,207	-	17,857	-	17,857
Interest and fiscal charges	4,500	-	12,987	-	17,487	-	17,487
Total expenditures	482,972	120,123	30,223	330	633,648	5,583	639,231
Excess (deficiency) of revenues over expenditures	(4,408)	6,545	(8,626)	(26)	(6,515)	435	(6,080)
Other financing sources (uses):							
Proceeds from loan	2,258	-	-	-	2,258	-	2,258
Operating transfers in	27,658	66	18,828	5,249	51,801	-	51,801
Operating transfers out	(26,312)	(1,544)	(9,109)	(10,214)	(47,179)	-	(47,179)
Operating transfers out - primary government	-	-	-	-	-	(218)	(218)
Total other financing sources (uses) - net	3,604	(1,478)	9,719	(4,965)	6,880	(218)	6,662
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(804)	5,067	1,093	(4,991)	365	217	582
Fund balances, July 1, 1997	30,655	54,160	13,592	9,402	107,809	3,726	111,535
Change in reserve for inventories	3	64	-	-	67	-	67
Residual equity transfers to other funds (Note 1)	(2,319)	(376)	-	-	(2,695)	-	(2,695)
Fund balances, June 30, 1998	\$27,535	\$58,915	\$14,685	\$ 4,411	\$105,546	\$3,943	\$109,489

The notes to the financial statements are an integral part of this statement.

COUNTY OF VENTURA
 COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL ON BUDGETARY BASIS
 GENERAL FUND, SPECIAL REVENUE FUNDS, AND CERTAIN BUDGETED DEBT SERVICE FUNDS
 YEAR ENDED JUNE 30, 1998
 (In Thousands)

	GENERAL FUND			SPECIAL REVENUE FUNDS			CERTAIN BUDGETED DEBT SERVICE FUNDS			TOTAL (MEMORANDUM ONLY)		
	BUDGET	ACTUAL ON BUDGETARY BASIS	VARIANCE - FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL ON BUDGETARY BASIS	VARIANCE - FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL ON BUDGETARY BASIS	VARIANCE - FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL ON BUDGETARY BASIS	VARIANCE - FAVORABLE (UNFAVORABLE)
Revenues:												
Taxes	\$ 85,953	\$ 87,294	\$ 1,341	\$ 55,473	\$ 58,763	\$ 3,290	\$ 1,650	\$ 1,684	\$ 34	\$143,076	\$147,741	\$ 4,665
Licenses, permits, and franchises	9,488	9,846	358	1,101	1,155	54	-	-	-	10,589	11,001	412
Fines, forfeitures, and penalties	15,236	15,996	760	234	296	62	-	-	-	15,470	16,292	822
Revenues from use of money and property	8,325	7,870	(455)	2,387	5,037	2,650	38	152	114	10,750	13,059	2,309
Aid from other governmental units	297,273	270,076	(27,197)	83,000	42,800	(40,200)	30	59	29	380,303	312,935	(67,368)
Charges for current services	84,354	74,941	(9,413)	11,840	13,143	1,303	-	-	-	96,194	88,084	(8,110)
Other	11,561	12,541	980	3,420	5,474	2,054	18,364	18,719	355	33,345	36,734	3,389
Total revenues	<u>512,190</u>	<u>478,564</u>	<u>(33,626)</u>	<u>157,455</u>	<u>126,668</u>	<u>(30,787)</u>	<u>20,082</u>	<u>20,614</u>	<u>532</u>	<u>689,727</u>	<u>625,846</u>	<u>(63,881)</u>
Expenditures:												
Current:												
General government	69,311	57,759	11,552	-	-	-	170	18	152	69,481	57,777	11,704
Public protection	242,873	224,645	18,228	119,331	81,875	37,456	-	-	-	362,204	306,520	55,684
Public ways and facilities	-	-	-	25,843	16,199	9,644	-	-	-	25,843	16,199	9,644
Health services	75,773	71,535	4,238	-	-	-	-	-	-	75,773	71,535	4,238
Public assistance	132,483	115,731	16,752	28,298	14,026	14,272	-	-	-	160,781	129,757	31,024
Education	363	362	1	6,566	5,648	918	-	-	-	6,929	6,010	919
Capital outlay	13,682	8,082	5,600	12,320	2,347	9,973	-	-	-	26,002	10,429	15,573
Debt service:												
Principal retirement	650	650	-	-	-	-	7,960	7,960	-	8,610	8,610	-
Interest & fiscal charges	4,798	4,500	298	-	-	-	9,518	9,518	-	14,316	14,018	298
Total expenditures	<u>539,933</u>	<u>483,264</u>	<u>56,669</u>	<u>192,358</u>	<u>120,095</u>	<u>72,263</u>	<u>17,648</u>	<u>17,496</u>	<u>152</u>	<u>749,939</u>	<u>620,855</u>	<u>129,084</u>
Excess (deficiency) of revenues over expenditures	<u>(27,743)</u>	<u>(4,700)</u>	<u>23,043</u>	<u>(34,903)</u>	<u>6,573</u>	<u>41,476</u>	<u>2,434</u>	<u>3,118</u>	<u>684</u>	<u>(60,212)</u>	<u>4,991</u>	<u>65,203</u>

(CONTINUED)

COUNTY OF VENTURA
 COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL ON BUDGETARY BASIS
 GENERAL FUND, SPECIAL REVENUE FUNDS, AND CERTAIN BUDGETED DEBT SERVICE FUNDS
 YEAR ENDED JUNE 30, 1998
 (In Thousands)
 (CONTINUED)

	GENERAL FUND			SPECIAL REVENUE FUNDS			CERTAIN BUDGETED DEBT SERVICE FUNDS			TOTAL (MEMORANDUM ONLY)		
	BUDGET	ACTUAL ON BUDGETARY BASIS	VARIANCE - FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL ON BUDGETARY BASIS	VARIANCE - FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL ON BUDGETARY BASIS	VARIANCE - FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL ON BUDGETARY BASIS	VARIANCE - FAVORABLE (UNFAVORABLE)
Other financing sources (uses):												
Proceeds from loan	\$ 2,956	\$ 2,258	\$ (698)	\$ 27	\$ -	\$ (27)	\$ -	\$ -	\$ -	\$ 2,983	\$ 2,258	\$ (725)
Operating transfers in	30,099	27,658	(2,441)	143	66	(77)	-	-	-	30,242	27,724	(2,518)
Operating transfers out	(26,313)	(26,312)	1	(2,130)	(1,544)	586	(2,659)	(2,655)	4	(31,102)	(30,511)	591
Loans advanced	(400)	-	400	-	-	-	-	-	-	(400)	-	400
Total other financing sources (uses) - net	<u>6,342</u>	<u>3,604</u>	<u>(2,738)</u>	<u>(1,960)</u>	<u>(1,478)</u>	<u>482</u>	<u>(2,659)</u>	<u>(2,655)</u>	<u>4</u>	<u>1,723</u>	<u>(529)</u>	<u>(2,252)</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(21,401)	(1,096)	20,305	(36,863)	5,095	41,958	(225)	463	688	(58,489)	4,462	62,951
Fund balances, July 1, 1997	30,655	30,655	-	54,160	54,160	-	687	687	-	85,502	85,502	-
Residual equity transfers to other funds	(2,673)	(2,319)	354	(432)	(376)	56	-	-	-	(3,105)	(2,695)	410
Fund balances, June 30, 1998	<u>\$ 6,581</u>	<u>\$27,240</u>	<u>\$20,659</u>	<u>\$16,865</u>	<u>\$58,879</u>	<u>\$42,014</u>	<u>\$ 462</u>	<u>\$ 1,150</u>	<u>\$ 688</u>	<u>\$ 23,908</u>	<u>\$87,269</u>	<u>\$ 63,361</u>

The notes to the financial statements are an integral part of this statement.

COUNTY OF VENTURA
 COMBINED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS
 ALL PROPRIETARY FUND TYPES
 YEAR ENDED JUNE 30, 1998
 (In Thousands)

	PROPRIETARY FUND TYPES		TOTAL (MEMORANDUM ONLY)
	ENTERPRISE FUNDS	INTERNAL SERVICE FUNDS	
Operating revenues:			
Charges for services (Note 11)	\$113,248	\$99,313	\$ 212,561
Rents and royalties	<u>6,975</u>	<u>-</u>	<u>6,975</u>
Total operating revenues	<u>120,223</u>	<u>99,313</u>	<u>219,536</u>
Operating expenses:			
Salaries and benefits	44,251	41,143	85,394
Services and supplies	54,741	38,428	93,169
Insurance	3,229	10,474	13,703
Insurance loss expense	6,048	2,801	8,849
Utilities	1,437	-	1,437
Depreciation and amortization	<u>5,696</u>	<u>4,983</u>	<u>10,679</u>
Total operating expenses	<u>115,402</u>	<u>97,829</u>	<u>213,231</u>
Operating income	<u>4,821</u>	<u>1,484</u>	<u>6,305</u>
Nonoperating revenues (expenses):			
Grants	119	241	360
Property tax revenue	251	-	251
Interest revenue	2,773	2,212	4,985
Interest expense	(867)	(236)	(1,103)
Loss on disposal of fixed assets	<u>(114)</u>	<u>(183)</u>	<u>(297)</u>
Total nonoperating revenues - net	<u>2,162</u>	<u>2,034</u>	<u>4,196</u>
Income before operating transfers	6,983	3,518	10,501
Operating transfers in	14,807	-	14,807
Operating transfers out	<u>(19,211)</u>	<u>-</u>	<u>(19,211)</u>
Net income	2,579	3,518	6,097
Add depreciation on fixed assets acquired by grants externally restricted for capital acquisition and construction that reduces contributed capital	<u>898</u>	<u>-</u>	<u>898</u>
Increase in retained earnings	3,477	3,518	6,995
Retained earnings, July 1, 1997 as restated (Note 14)	<u>51,595</u>	<u>15,347</u>	<u>66,942</u>
Retained earnings, June 30, 1998	<u>\$ 55,072</u>	<u>\$18,865</u>	<u>\$ 73,937</u>

The notes to the financial statements are an integral part of this statement.

COUNTY OF VENTURA
STATEMENT OF CHANGES IN PLAN NET ASSETS
PENSION TRUST FUND
YEAR ENDED JUNE 30, 1998
(In Thousands)

	VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
ADDITIONS	
<u>Contributions:</u>	
Employer:	
Annual actuarially determined	\$ 12,602
Other	3,898
Employee	<u>16,849</u>
Total contributions	<u>33,349</u>
<u>Investment Income:</u>	
Net appreciation in fair value of investments	<u>265,200</u>
Interest income	28,172
Dividend income	11,334
Tactical asset allocation income	5,338
Securities lending income	8,072
Real estate operating income (net)	<u>3,788</u>
Other investment income	56,704
Less: Investment expense	<u>12,503</u>
Net investment income	309,401
Total additions	<u>342,750</u>
DEDUCTIONS	
Benefit payments	50,654
Member refunds	1,814
Administrative expenses	<u>1,281</u>
Total deductions	<u>53,749</u>
Net Increase	289,001
Net assets held in trust for pension benefits, beginning of year	<u>1,623,181</u>
Net assets held in trust for pension benefits, end of year	<u>\$1,912,182</u>

The notes to the financial statements are an integral part of this statement.

COUNTY OF VENTURA
COMBINED STATEMENT OF CASH FLOWS
ALL PROPRIETARY FUND TYPES
YEAR ENDED JUNE 30, 1998
(In Thousands)

	PROPRIETARY FUND TYPES		TOTAL (MEMORANDUM ONLY)
	ENTERPRISE FUNDS	INTERNAL SERVICE FUNDS	
Operating income (loss)	\$ 4,821	\$ 1,484	\$ 6,305
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Depreciation and amortization	5,696	4,983	10,679
Changes in assets and liabilities:			
Decrease in accounts receivable	1,667	1,552	3,219
(Increase) decrease in due from other funds	2,952	(8,815)	(5,863)
Increase in inventories and other assets	(9,349)	(924)	(10,273)
Increase (decrease) in accounts payable	1,210	(2,023)	(813)
Increase in accrued liabilities	525	32	557
Increase (decrease) in due to other funds	6,758	(857)	5,901
Increase in deferred revenue	10	85	95
Increase (decrease) in accrued insurance loss expense	384	(787)	(403)
Decrease in other liabilities	(115)	(71)	(186)
Decrease in long-term compensated absences	(26)	(113)	(139)
Total adjustments	<u>9,712</u>	<u>(6,938)</u>	<u>2,774</u>
Net cash provided (used) by operating activities	<u>14,533</u>	<u>(5,454)</u>	<u>9,079</u>
Cash flows from noncapital financing activities:			
Interest paid on interfund loans	-	(223)	(223)
Nonoperating grants received	119	241	360
Property taxes received	251	-	251
Operating transfers in	14,807	-	14,807
Operating transfers out	(19,211)	-	(19,211)
Net cash provided (used) by noncapital financing activities	<u>(4,034)</u>	<u>18</u>	<u>(4,016)</u>
Cash flows from capital and related financing activities:			
Acquisition of fixed assets	(7,104)	(7,571)	(14,675)
Principal paid on capital lease obligations and loans and bonds payable	(2,106)	(226)	(2,332)
Interest paid on capital lease obligations and loans and bonds payable	(862)	(13)	(875)
Contributed capital received (used)	194	173	367
Proceeds from sale of equipment	-	390	390
Capital contributed by developers	375	-	375
Residual equity transfers to (from) other funds	(84)	2,779	2,695
Net cash used by capital and related financing activities	<u>(9,587)</u>	<u>(4,468)</u>	<u>(14,055)</u>
Cash flows from investing activities:			
Interest on investments	2,670	2,480	5,150
Loan reserve established	(51)	-	(51)
Net cash provided by investing activities	<u>2,619</u>	<u>2,480</u>	<u>5,099</u>
Net increase (decrease) in cash and cash equivalents	<u>3,531</u>	<u>(7,424)</u>	<u>(3,893)</u>
Cash and cash equivalents at beginning of year	<u>44,316</u>	<u>37,440</u>	<u>81,756</u>
Cash and cash equivalents at end of year	<u>\$ 47,847</u>	<u>\$ 30,016</u>	<u>\$ 77,863</u>

Non-cash investing, capital and financing activities include adjustments for fixed asset transactions including capital lease additions with a cost of \$592, transfer of assets out exceeding assets in with a net cost of \$59 and net book value of \$23, deletion of assets with a cost of \$4,532 and a net book value of \$690 and donated assets with a cost of \$116. Interest on investments was adjusted for current and prior year accruals in the net amount of \$165. Contributed capital's increase included prior year adjustments in the amount of \$498, contributions used in the amount of \$84, donated assets with a cost of \$116, transfers of assets out exceeding assets in with a net book value of \$23 and depreciation of donated assets in the amount of \$898.

The notes to the financial statements are an integral part of this statement.

COUNTY OF VENTURA
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
JUNE 30, 1998

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

REPORTING ENTITY

The County of Ventura (County) is a legal subdivision of the State of California and was established as a General Law County in 1873. It is governed by an elected five-member Board of Supervisors (Board) and provides the following services: general government, public protection, public ways and facilities, health services, public assistance, and education.

The County accounts for its financial position and results of operations in accordance with generally accepted accounting principles (GAAP) applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the primary standard-setting body for establishing governmental accounting and financial reporting principles. As required by GAAP, these financial statements present the County as the primary government and its component units, entities for which the County is considered to be financially accountable.

Blended component units, although legally separate entities, are, in substance, part of the County's operations and so data from these units are combined with data of the primary government. Discretely presented component units are presented in a separate column in the general purpose financial statements to emphasize they are legally separate from the primary government.

Blended Component Units

Using the criteria of GASB Statement No. 14, management determined that the following component units should be blended with the activities of the County as follows: Special Revenue Funds -- Flood Control, County Service Areas, Fire Protection, and County Redevelopment Agency (RDA); Enterprise Fund -- Waterworks Districts; Debt Service Funds -- Ventura County Public Facilities Corporation, Camarillo Library Authority, the library activities of the Simi Valley Civic Center Authority and the County RDA; and Pension Trust Fund -- Ventura County Employees' Retirement Association (VCERA). The County is financially accountable for each of the above component units. The basis for blending is that the County's Board acts as the governing board for all except the Ventura County Employees' Retirement System and Public Facilities Corporation. However, these two organizations provide services almost entirely for the County's benefit.

Discretely Presented Component Unit

Management determined that the Air Pollution Control District (APCD) qualified as a discretely presented component unit, a legally separate entity which is governed by a separate board of directors with the ability to provide financial benefits to, or impose financial burdens on, the primary government.

Effective July 1, 1994, the organization structure for state air pollution special districts was statutorily redefined with the Board no longer appointing the majority of the APCD's governing board. The APCD board includes the five members of the County Board and five members elected by the ten County cities.

The County remains financially accountable for APCD for fiscal year 1997-98 due to fiscal oversight responsibilities assigned by the APCD Board to a related County department. Through direct charges and the County Cost Allocation Plan, APCD pays for the costs for facilities and central services. Since 1994, the APCD has been achieving operational and employee separation from the County. It is anticipated that it will no longer qualify as a component unit in fiscal year 1998-99.

Additional detailed financial information or separate financial statements for each of the blended and discretely presented entities can be obtained from the Auditor-Controller's Office at 800 South Victoria Avenue, Ventura, California 93009.

Jointly Governed Organizations

The County is also a member of a number of jointly governed organizations. All jointly governed organizations have financial reports on file in the Auditor-Controller's Office.

Related Organizations

The County's officials are also responsible for appointing the members of boards of other organizations. These organizations were created to provide public input, in an advisory role, for various County activities. The County's accountability for these organizations does not extend beyond making the appointments. Information on related organizations is available in the Auditor-Controller's Office, or from County departments interfacing with the advisory boards.

External Investment Trust

The County Treasurer's investment pool is further defined as internal and external investment pools in accordance with GASB Statement No. 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools." The internal investment pool includes the funds and component units of the reporting entity and is reported in the various County funds.

The external investment pool commingles the moneys of more than one legally separate entity, not part of the sponsor's reporting entity, and invests on the participants' behalf in an investment portfolio. The external investment pool is reported in the financial statements as an external investment trust within the trust and agency funds and uses the economic resources measurement focus and the accrual basis of accounting.

COUNTY OF VENTURA
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
JUNE 30, 1998

The external investment pool includes both voluntary and involuntary participants. Legal provisions require certain special districts to participate in the County Treasurer's investment pool including public school districts, cemetery districts, recreation and park districts and the discretely presented component unit, Air Pollution Control District.

The external investment pool in the financial statements includes the numerous voluntary and involuntary self-governed schools, special districts and the consolidated courts, for which cash and investments are held by the County Treasurer. The financial reporting for these governmental entities, which are independent of the County Board is limited to the total amount of cash and investments and other assets, and the related fiduciary responsibility of the County for disbursement of these assets. Activities of the school districts and special districts are administered by their own separate boards. Effective January 1, 1998, activities of the County's consolidated courts are governed by the State of California. The County Auditor-Controller makes disbursements upon the request of the responsible school and self-governed district officers and the presiding judge of the consolidated courts.

The County Board of Supervisors has no effective authority to govern, manage, approve budgets, assume financial accountability, establish revenue limits, nor to appropriate surplus funds available in these entities. Therefore, these entities are fiscally independent of the County.

FUND ACCOUNTING

The accounts of the County are organized on the basis of funds and account groups. A fund is an accounting entity with a self-balancing set of accounts established to record the financial position and results of operations of a specific governmental activity.

Account groups are used to establish accounting control and accountability for the County's general fixed assets and general long-term obligations. Account groups are not funds as they do not reflect available financial resources and related liabilities.

The County's accompanying financial statements include the following fund types and account groups:

Governmental Fund Types

General Fund--The General Fund accounts for the legally authorized activities of the County not provided for in other specialized funds.

Special Revenue Funds--Special revenue funds account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes except for resources accounted for in the capital projects fund. Special revenue funds also include the general

funds of the Ventura County Flood Control District, the Fire Protection District, and County of Ventura Redevelopment Agency, as blended component units. Trial Court funding is included for the first six months only.

Debt Service Funds--Debt service funds account for the accumulation of resources for, and the payment of, general long-term debt principal and interest and fiscal charges.

Capital Projects Fund--The capital projects fund accounts for financial resources to be used for the acquisition or construction of major capital facilities other than those financed by proprietary funds.

Proprietary Fund Types

Enterprise Funds--Enterprise funds are used to account for operations: (a) that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Internal Service Funds--Internal service funds account for the financing of goods or services provided by one department or agency to other departments or agencies of the governmental unit, or to other governmental units, on a cost-recovery basis.

Fiduciary Fund Types

Pension Trust Fund--The Pension Trust Fund is used to account for the contributions and benefit payments of VCERA established January 1, 1947, under provisions of the County Employees' Retirement Law of 1937.

Agency Funds--Agency funds are used to account for deposits received, clearing accounts, and assets held for other entities in the external investment pool. Assets, principally cash and cash equivalents, held by the County in a custodial capacity for these entities are included in agency funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

Account Groups

General Fixed Assets Account Group--The General Fixed Assets Account Group is used to account for property and equipment of governmental funds.

COUNTY OF VENTURA
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
JUNE 30, 1998

General Long-Term Obligations Account Group--The General Long-Term Obligations Account Group is used to account for the unmatured principal of general obligation and lease revenue bonds and other long-term liabilities of governmental funds. Long-term obligations of proprietary fund types and the Pension Trust Fund are accounted for in the respective funds.

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Governmental and Agency Funds

Measurement focus determines the accounting and financial reporting treatment applied to a fund. All governmental fund types are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet.

Operating statements of governmental fund types present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets. Agency funds report only assets and liabilities with no revenue or expenditures and no fund balance.

All governmental fund types and agency funds (assets and liabilities only) are accounted for using the modified accrual basis of accounting. Revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" is defined as the amount that can be determined. "Available" is defined as collectible in the current period or soon enough thereafter to be used to pay liabilities of the current period. Property taxes are considered available if they are collectible within the current period or 60 days thereafter. All other revenues are considered available if collectible within the current period or soon enough thereafter to pay liabilities of the current period.

Revenues which are considered susceptible to accrual include federal and state grants, interest, franchises, property taxes, sales tax, and charges for current services. Unbilled receivables for certain items are included in accounts receivable. Revenues which are not considered susceptible to accrual include certain licenses, permits, fines, forfeitures and penalties. Deferred revenues represent amounts where asset criteria have been met, but revenue recognition criteria have not been met. Expenditures are generally recorded under the modified accrual basis of accounting when the fund liability is incurred, except principal on general long-term debt which is recognized when payment is due or paid, whichever is earlier. Interest on general long-term debt has been accrued since financing resources are available in debt service funds for payment thereof soon after the fiscal year-end.

Proprietary, External Investment Trust and Pension Trust Funds

All proprietary fund types, the external investment trust and the Pension Trust Fund are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and liabilities associated with the operation of these funds are included on the balance sheet. All authoritative pronouncements of the Financial Accounting Standards Board (FASB) or its predecessor bodies issued before November 30, 1989 are applied to proprietary operations unless they conflict with GASB pronouncements. The County has elected not to apply FASB statements subsequent to November 30, 1989. Fund equity of proprietary funds (i.e., net assets) is segregated into contributed capital and retained earnings components. Operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in net assets.

Proprietary funds, the external investment trust and the Pension Trust Fund are accounted for using the accrual basis of accounting. Under this basis of accounting, revenues and contributions are recognized in the period in which they are earned and due and become measurable; expenses and pension benefits and refunds are recognized in the period incurred. Earned but unbilled amounts for services provided are accrued and included in accounts receivable and recognized as revenue.

BUDGETARY INFORMATION

The County is legally required to adopt an annual budget for the General Fund, special revenue funds, Flood Control District, Pension Obligation Bonds, and the Redevelopment Agency debt service funds. The County adheres to the provisions of the applicable sections of the California Government Code concerning budgetary matters, commonly known as the County Budget Act. Annually, the Board conducts a public hearing for discussion of the proposed budget. At the conclusion of the hearing, and no later than August 30, the Board adopts the final budget including revisions by resolution. Subsequent revisions which occur during the year, including transfers between departments, are also adopted by the Board.

Annual budgets are not adopted for the Public Facilities Corporation and Other Public Authorities debt service funds with revenues of \$950,000 and \$33,000 for fiscal year 1997-98, respectively, nor for the capital projects fund. Accordingly, these funds are not included in the accompanying Combined Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual on Budgetary Basis. Nonbudgeted debt service funds' expenditures are determined by the terms of bond indentures.

COUNTY OF VENTURA
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
JUNE 30, 1998

Supplemental Appropriations

Supplemental appropriations may be made during the year by the Board if revenues are received from unanticipated sources or from anticipated sources, but in excess of estimates thereof. Transfers of appropriations between departments must be approved by the Board.

During fiscal year 1997-98, the Board delegated transfers of appropriations between object levels of expenditures within the same department to the Chief Administrative Officer. Supplemental appropriations for those funds for which the County is legally required to adopt an annual budget approximated \$67,526,000 for fiscal year 1997-98. Budget amounts reported in the accompanying financial statements are as amended. Expenditures for public emergencies may be financed by budget notes if treasury funds are insufficient to satisfy outstanding checks. Any excess of budgeted expenditures and other financing uses over revenue and other financing sources is financed by beginning available fund balances as provided in the County Budget Act.

Budgetary Basis of Accounting

The budget is adopted in accordance with the County Budget Act on a basis of accounting which is different from GAAP. The principal differences between the County's budgetary basis of accounting and GAAP are as follows:

For budgetary purposes, employee compensated absences are recognized when they become due and payable. Under GAAP, employee compensated absences are recognized as expenditures if they become due and payable within one year of the balance sheet date.

For budgetary purposes, inventory items are recognized as expenditures when purchased. Under GAAP, significant inventories on hand at year-end are recorded as an asset.

Note 15 provides a reconciliation of budgetary and GAAP fund balances.

Legal Level of Budgetary Control

The legal level for budgetary control (the level at which expenditures may not legally exceed appropriations) is at the department/budget unit and object level except for fixed assets which are controlled at the sub-object level. Object levels of expenditures are as follows: salaries and benefits, services and supplies, other charges, fixed assets, other financing uses, and contingencies. Sub-object levels of expenditures for fixed assets are land, structures and improvements including construction in progress, and equipment. Expenditures are classified as current, capital outlay, and debt service.

The current expenditures are classified by functions including general government, public protection, public ways and facilities, health services, public assistance and education.

The County prepares a separate budgetary document, the County Budget, which demonstrates legal compliance with budgetary control. The total budget for those funds for which the County is legally required to adopt an annual budget is \$784,546,000 and is controlled in over 100 department/budget units in over 30 funds. Because of this large volume of detail, the combining budget and actual on a budgetary basis schedules have been aggregated in the schedules by function and object level. In addition, a separate Departmental Budget Report of Revenues and Expenditures - Budget and Actual on a Budgetary Basis has been prepared at the department/budget unit, function, and object level for those funds for which the County is legally required to adopt an annual budget. The budgetary documents are available to the general public in the Auditor-Controller's Office.

Encumbrances

All unencumbered and unexpended appropriations lapse at the end of each fiscal year and become available for the financing of next year's budget. Encumbered appropriations are reappropriated in the next year's budget. Financial controls are exercised by the independently elected office of the Auditor-Controller during the year. Purchase, construction, and other significant commitments are recorded in governmental fund types as encumbrances when purchase orders or contracts are issued. These encumbrances represent a reservation of fund balance. When the related goods or services are received, the encumbrance is reversed and an expenditure and liability for payment to the vendor are recorded. All contracts for capital construction are subject to the approval of the Board.

ACCOUNTING CLASSIFICATIONS

Cash and Cash Equivalents

For purposes of reporting cash flows, cash and cash equivalents include cash in bank and investments held by the County Treasurer in a cash management pool and short-term temporary investments in the Pension Trust Fund, generally with maturities of ninety days or less.

Investments

Effective July 1, 1997, the County adopted GASB Statement No. 31, "Accounting and Financial Reporting for Certain Investments and External Investment Pools" (GASB 31). GASB 31 requires governmental entities, including governmental external investment pools, to report certain investments at fair value in the balance sheet and recognize the corresponding change in the fair value of investments in the year in which the change occurred. Fair value is defined as the amount at which a financial instrument could be exchanged in a current transaction

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between willing parties, other than in a forced or liquidation sale. In accordance with GASB 31, the County's investments are stated at fair value. On July 1, 1997, the cost of the County's investment portfolio approximated fair value. Thus, no adjustment to beginning fund equity has been recorded. At June 30, 1998, the cost of the County's investment portfolio approximated fair value (Note 2-Investments).

Inventories

Inventories consist of expendable supplies valued at cost (principally on a first-in, first-out basis). The County uses the purchases method to record inventories as expenditures when purchased by governmental funds. Significant supplies on hand at year-end are recorded as assets with a corresponding credit to reserved fund balances to indicate that such amounts are not available for future appropriation by the governmental funds (Note 10).

Fixed Assets

The accounting and reporting treatment applied to the fixed assets associated with a fund are determined by its measurement focus. Acquisitions of property and equipment are recorded as expenditures in the governmental fund types at the time of purchase. These assets are capitalized at historical cost in the General Fixed Assets Account Group. In the case of structures and improvements, if historical costs were not available, engineering estimates were used to approximate historical cost. Assets acquired from gifts or contributions are recorded at fair market value at the date received. Self-constructed assets, including structures and major software betterments are recorded at the amount of direct labor, material, and net interest costs incurred if financed by tax-exempt borrowing. Expenditures for infrastructures (roads, bridges, curbs and gutters, sidewalks, drainage systems, etc.) normally are not capitalized as such assets are immovable and generally of value only to the County.

Depreciation (which includes amortization of assets acquired under capital leases) of all exhaustible fixed assets (including those assets contributed by other governments) used by proprietary fund types is charged as an expense against their operations. Depreciation is charged to contributed capital for fixed assets acquired by grants externally restricted for capital acquisitions and construction that will not be replaced unless funded by a grantor. Accumulated depreciation is reported on the balance sheets of proprietary fund types. Depreciation is also provided for in the General Fixed Assets Account Group for memorandum purposes only and is not charged to expenditures of governmental fund types. Depreciation is provided over the assets' estimated useful lives using the straight-line method.

The capitalization level and estimated useful life for County fixed assets is as follows:

<u>Category</u>	<u>Capitalization Level</u>	<u>Useful Life</u>
Structures and improvements	\$25,000 except \$5,000 for airports and \$100,000 for waterworks	30 - 75 years
Betterments	\$5,000	30 - 75 years
Equipment	\$3,000	2 - 20 years
Capital leases	Same as category	Lesser of lease term or useful life

Assets purchased under capital leases (Note 7) are included in the General Fixed Assets Account Group or the appropriate proprietary fund types. The related capital lease obligations are recorded in the General Long-Term Obligations Account Group or the appropriate proprietary fund types.

The costs of normal maintenance and repairs are not capitalized. Betterments or major improvements that add to the value of the asset or materially extend the useful lives of the assets are capitalized and depreciated over the remaining useful lives of the related fixed assets, if applicable.

Interest is capitalized on proprietary fund assets acquired with tax-exempt debt. The amount of interest to be capitalized is calculated by offsetting interest expense incurred from the date of borrowing until completion of the project with interest earned on invested proceeds over the same period. There were no net interest costs capitalized for the year ended June 30, 1998.

Employee Compensated Absences

Liabilities for vacation and vested sick leave benefits as required by GASB Statement No. 16 are recorded when benefits are earned. Only such current liabilities are recorded in governmental fund types. The remainder of the related governmental fund type liability is reported in the General Long-Term Obligations Account Group. Both current and long-term liabilities for vacation and sick leave benefits are recorded in proprietary fund types.

Risk Management

The County is self-insured for general liability, property damage and for the 50 percent deductible on medical malpractice claims (Note 17). The County maintains commercial coverage for workers' compensation occurrences. Actuarial studies are performed annually.

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The County records estimated liabilities for both claims reported and incurred but not reported at the balance sheet date in the related internal service fund. Premiums are collected from County departments and agencies. Claims are paid in the related internal service fund except for incurred but not reported losses (tail liability) related to the medical malpractice liabilities, which are recorded in the Medical Center Enterprise Fund, and other liabilities of the General Long-term Obligations Account Group.

Medical insurance is commercially insured through plans administered by the Human Resources Department and the Professional Firefighter and Deputy Sheriff Associations. Approximately 30 percent of the employees are self-insured through the Ventura County Health Care Plan administered by Ventura County Health Care Agency. Management believes that the liabilities for self-insurance reserves recorded at June 30, 1998 are adequate.

RESIDUAL EQUITY TRANSFERS

Residual equity transfers are nonrecurring or nonroutine transfers of equity between funds. Additionally, residual equity transfers include certain amounts that represent periodic transfers of funds to the proprietary funds for the purchase of new equipment. Residual equity transfers to or from proprietary funds are classified as contributed capital. Residual equity detail is accounted for in the proprietary funds' statements of cash flows.

TOTAL COLUMNS ON FINANCIAL STATEMENTS

Total columns on the financial statements are captioned "memorandum only" to indicate they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations or cash flows in accordance with GAAP. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of the data.

2. CASH AND INVESTMENTS

California Government Code 53635 authorizes the County Treasurer to invest in obligations of the U.S. Treasury, agencies and instrumentalities, commercial paper rated A-1 by Standard & Poor's Corporation or P-1 by Moody's Commercial Paper Record, bankers' acceptances, repurchase and reverse repurchase agreements, corporate notes, negotiable certificates of deposit, obligations of the State of California, and obligations of any local agency within California. As provided for by the Government Code, the cash balances of substantially all funds are pooled and invested by the County Treasurer for the purpose of increasing interest earnings through investment activities. The respective funds' shares of the total pool are

included in the accompanying combined balance sheet under the caption "Cash and cash equivalents." Investments are stated at fair value. Interest earned on these investments is allocated to certain participating funds based on their average daily cash-in-treasury balances. The Pension Trust Fund is authorized to invest in any form or type of investment, financial instrument, or financial transaction when prudent in the informed opinion of the Board of Retirement.

Investments are included among the assets of the debt service funds, capital projects fund, and Pension Trust Fund. Investments of the Pension Trust Fund are held separately from those of other County funds and include equity and debt securities and real estate investments stated at fair value (see Note 5 for disclosures related to fair value).

"Restricted assets - investments," included within the Information Systems Internal Service Fund (ISF) and Medical Center Enterprise Fund, are allocated from the Public Facilities Corporation.

"Restricted assets- deposits," included in the Health Care Plan Enterprise Fund and Channel Islands Harbor Expansion Fund represent a required restricted deposit held in trust as part of the requirements for the Knox-Keene license with the California Department of Corporations and the Harbor National Oceanic and Atmospheric Administration loan.

The amount of "Cash and cash equivalents," Pension Trust Fund Investments, and Other Investments and Restricted Assets at June 30, 1998, are summarized as follows (in thousands):

	Cash and Cash Equivalents With County Treasurer	Investments & Restricted Assets		
		Pension Trust	Other	Total
Deposits	\$ 11,286	\$ -	\$ 1,051	\$ 12,337
Investments	<u>782,734</u>	<u>2,095,523</u>	<u>17,634</u>	<u>2,895,891</u>
Total	<u>\$794,020</u>	<u>\$2,095,523</u>	<u>\$18,685</u>	<u>\$2,908,228</u>

Deposits

Deposits in "Cash and Cash Equivalents" include demand deposits and time certificates of deposit. Included is \$3,742,000 held for discretely presented component unit APCD. Also included are outstanding checks totaling \$9,628,000.

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At June 30, 1998, the carrying amount of the County's deposits was \$12,337,000, and the bank balance per various institutions was \$12,430,000. Of the bank balance in financial institutions, \$796,000 was covered by federal depository insurance and \$11,634,000 was uninsured. The uninsured deposits were held by financial institutions which are legally required by the California Government Code to collateralize the County's deposits by pledging government securities or first trust deed mortgage notes. The fair value of the pledged securities and first trust deed mortgage notes must be at least 111 percent and 150 percent of the County's deposits, respectively. The collateral was held by the pledging financial institution's trust department and was considered held in the County's name.

Investments

In accordance with GASB Statement No. 3, "Deposits with Financial Institutions, Investments (including Purchase Agreements), and Reverse Purchase Agreements," (GASB 3) the County's investments have been categorized below to indicate the level of custodial risk assumed by the County at year-end. Category 1 includes investments that are insured or registered or for which the securities are held by the County or its agent in the agent's nominee name with subsidiary records listing the County as the legal owner. Category 2 includes uninsured and unregistered investments for which the securities are held by the counterparty, or by its trust department or agent, but not in the County's name. The GASB 3 categories do not apply to certain types of investments such as loaned securities, annuity contracts, real estate, and mutual funds due to their nature.

The carrying amount approximating fair value and the calculated fair value of investments, exclusive of the Pension Trust Fund at June 30, 1998, are summarized below (in thousands):

	<u>Category 1</u>		<u>Approximated Fair Value</u>	<u>Calculated Fair Value</u>
	<u>County Treasurer</u>	<u>Other</u>		
Banker's acceptances	\$ 28,433	\$ -	\$28,433	\$28,734
Commercial paper	194,944	-	194,944	195,646
U.S. Treasury obligations	39,692	4,508	44,200	44,603
U.S. Agency obligations	<u>519,665</u>	<u>12,194</u>	<u>531,859</u>	<u>533,454</u>
Total Investments	<u>\$782,734</u>	<u>\$16,702</u>	<u>\$799,436</u>	<u>\$802,437</u>

A summary of the interest rate percentage range and the maturity range at June 30, 1998 of investments held by the County Treasurer is as follows:

<u>Investments</u>	<u>Interest Rate Range</u>	<u>Maturity Range</u>
Banker's acceptances	5.30 - 5.52	07/07/98 - 09/10/98
Commercial paper	5.50 - 5.60	07/01/98 - 08/28/98
U.S. Treasury obligations	5.12 - 6.50	10/31/98 - 07/31/99
U.S. Agency obligations	4.94 - 6.45	07/09/98 - 06/19/00

The County adopts an investment policy document as approved by the Treasury Oversight Committee and the County Board. The policy emphasizes safety, liquidity and yield and follows the "prudent investor rule." Fair value calculations at fiscal year-end are based on values provided by the County's investment advisory firm. No guarantees have been provided during the period to support the value of shares in the pool. Investment earnings are allocated on the average daily balance in the Treasurer's pool for the calendar quarter. The earnings are distributed to participants twice per quarter as cash is received. The total percentage share of the Treasurer's pool related to the involuntary participants is 44 percent.

The net change in fair value at July 1, 1997, and June 30, 1998 taking into account all changes in fair value (including purchases, sales and reinvestment of earnings) amounted to a decrease of \$1,800,000 and an increase of \$1,400,000 respectively. In addition, approximately 45 percent of the Treasurer's investment pool at June 30, 1998 had a maturity of 90 days or less. Maturities of 90 days or less qualify for presentation at amortized cost. (Note 1-Investments).

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The following represents a condensed statement of net assets and changes in net assets for the Treasurer's investment pool stated at cost approximating fair value as of June 30, 1998 (in thousands):

Statement of Net Assets	
Net Assets held for pool participants	<u>\$782,734</u>
Equity of internal pool participants	430,504
Equity of external pool participants (Voluntary and Involuntary)	<u>352,230</u>
Total Equity	<u>\$782,734</u>
Statement of Changes in Net Assets	
Net Assets at July 1, 1997	680,739
Net change in investments by pool participants	<u>101,995</u>
Net Assets at June 30, 1998	<u>\$782,734</u>

The carrying amount of the Pension Trust Fund investments (stated at fair value) at June 30, 1998, is summarized as follows (in thousands):

	Category I	Uncategorized Investments	Loaned Securities	Total Carrying Amount
Short-term temporary	\$ 76,746	\$ -	\$ -	\$ 76,746
Domestic equity	446,594	-	44,581	491,175
U.S. government debt securities and corporate bonds	186,663	-	30,538	217,201
International bonds	90,499	-	49,137	139,636
Securities lending collateral	-	-	127,681	127,681
Real estate	-	48,981	-	48,981
Investments held in Mutual Funds and investment pool	-	<u>994,103</u>	-	<u>994,103</u>
Total investments	<u>\$ 800,502</u>	<u>\$1,043,084</u>	<u>\$251,937</u>	<u>\$2,095,523</u>

The Board of Retirement permits the use of securities lending pursuant to an agreement with its custodial financial institution, whereby the Pension Trust Fund lends specific stocks, bonds, and government securities that are being held in trust at the financial institution to various brokers in return for a service charge. The financial institution is authorized to handle all the

loan activity for the Pension Trust Fund and has agreed to indemnify the Pension Trust Fund for any losses of securities or income due to borrower failure or default. The securities on loan at June 30, 1998 of \$251,937,000 are included in their respective accounts on the balance sheet and are not subject to categorization.

Loaned securities are collateralized by cash which was deposited in a collateral investment pool equal to at least 102 percent of the market value of loaned securities. However, collateral is held by and in the name of the lending financial institution in a collateral investment pool and therefore not classified by category of custodial risk. \$127,681,000 of collateral held in the investment pool is included in uncategorized investments in the table above. Collateral securities cannot be pledged or sold unless the borrower defaults. In lending corporate bonds and common and preferred stock, the term to maturity for securities loans is matched to the term to maturity of the investment of the cash collateral by investing in money market instruments. Such matching existed at year-end. Also, it was determined that a credit risk did not exist at year-end since the amount owed the borrower was greater than the amount the borrower owed.

Included within VCERA's fixed income portfolio of \$356,836,000, approximately \$103,924,000 are classified as derivative securities. Annual income generated by these securities is approximately \$3,757,000. These holdings include asset-backed securities, mortgage-backed securities, and collateralized mortgage obligations and are considered to be derivatives because their value is derived from the value of the assets backing the security rather than the security itself. The derivative securities offer favorable yields and advantageous risk/reward profiles with the majority of the holdings guaranteed by the U.S. Government or one of its agencies.

VCERA's international investment managers also invest in forward currency contracts. These are agreements to exchange different currencies at specified rates at a specified date. Differences between contract exchange rates and market exchange rates at settlement result in gains and losses. Risks surrounding the contracts include fluctuations in exchange rates and the inability of the counterparty to meet the terms of the contract. Forward currency contracts held at June 30, 1998 amount to \$110,264,000.

3. PROPERTY TAXES

All jurisdictions within California derive their taxing authority from the State Constitution and various legislative provisions contained in the State Government Codes and Revenue and Taxation Codes. Property is generally assessed at 100 percent of full cash or market value

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pursuant to Article XIII A of the California State Constitution and statutory provisions by the County Assessor and State Board of Equalization. The total fiscal year 1997-98 gross assessed valuation of property within the County was \$47,494,694,000 of which \$46,620,227,000 was the net assessed value after homeowners' exemptions.

The property tax levy to support general operations of various jurisdictions is limited to one percent of full cash value and is distributed in accordance with statutory formulas. Amounts levied each fiscal year to finance the annual requirements of voter approved debt are excluded from this limitation and are calculated and levied each fiscal year. The rates are formally adopted by either the County Board or the city councils and, in some instances, the governing board of a special district.

The County is divided into approximately 2,296 tax rate areas, which are unique combinations of various jurisdictions serving a specific geographic area. In fiscal year 1997-98, the rates levied within each tax rate area varied from a low of 1.000000 to a high of 1.371358 per \$100 of assessed valuation.

Property taxes are levied on both real and personal property. Secured property taxes are levied July 1 and payable in two equal installments: the first is generally due November 1 and delinquent with penalties on December 10; the second is generally due on February 1 and delinquent with penalties on April 10. Unsecured property taxes become delinquent with penalties on August 31. Secured property taxes become a lien on the property on January 1 or the date on which title to the property transfers or improvements to the property are completed. Supplemental property tax assessments/refunds associated with changes in assessed valuations due to transfers of title and completed property improvements are levied in two equal installments and have variable due dates based on the date of title transfer and/or completion of the property improvements.

The County elected the alternative property tax treatment (Teeter Plan) effective July 1, 1993, whereby the County, through the Property Tax Collection Agency Funds (PTCAF), purchases the current secured unpaid taxes remaining at year-end from participating agencies. In return, the PTCAF records a tax receivable and receives the delinquent secured taxes. The PTCAF receives delinquent penalties and redemption interest accruing to delinquent collections related to participating agencies. The participating agencies, including the County, the special districts, and the school districts, in turn, receive their full tax distribution with no liability for uncollected taxes to the PTCAF. Therefore, for participating agencies, revenue is measurable and available and is recorded in the period the payment of current secured unpaid taxes is received.

4. FIXED ASSETS

Fixed assets consist of the following at June 30, 1998, (in thousands):

	General Fixed Assets Account Group	Enterprise Funds	Internal Service Funds
Land	\$ 6,161	\$ 43,425	\$ -
Structures and improvements	256,087	107,332	2,205
Equipment	46,675	28,600	55,298
Construction in progress	7,876	6,286	2,157
Total general fixed assets	316,799	185,643	59,660
Less accumulated depreciation	86,384	68,326	35,803
Net general fixed assets	<u>\$230,415</u>	<u>\$117,317</u>	<u>\$23,857</u>

Changes in the General Fixed Assets Account Group during the year ended June 30, 1998, were as follows (in thousands):

	Balance July 1, 1997	Additions	Deletions	Net Transfers	Balance June 30, 1998
Land	\$ 6,161	\$ 11	\$ 11	\$ -	\$ 6,161
Structures & improvements	246,333	15,049	5,213	(82)	256,087
Equipment	43,263	5,215	1,099	(704)	46,675
Construction in progress	11,964	2,263	6,351	-	7,876
Subtotal	<u>307,721</u>	<u>\$ 22,538</u>	<u>\$12,674</u>	<u>\$ (786)</u>	<u>316,799</u>
Less accum. deprec.	<u>80,092</u>				<u>86,384</u>
Total	<u>\$227,629</u>				<u>\$230,415</u>

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Construction in progress and long-term commitments for capital improvement construction contracts at June 30, 1998 were as follows (in thousands):

<u>Capital Improvements</u>	<u>Construction in Progress Balance June 30, 1998</u>	<u>Additional Committed Funds</u>
General Fixed Assets Account Group	<u>\$7,876</u>	<u>\$ 9,875</u>
Enterprise Funds:		
Medical Center	\$ 1,065	\$ 35
Recreation	150	-
Airports	3,014	73
Channel Islands Harbor	75	-
Waterworks Districts	<u>1,982</u>	<u>97</u>
Total Enterprise Funds	<u>\$ 6,286</u>	<u>\$ 205</u>
Internal Service Funds:		
Information Systems	<u>\$ 2,157</u>	<u>-</u>

Long-term commitments for infrastructure construction contracts totaled \$2,517,000 (principally for road and flood control projects) at June 30, 1998.

5. EMPLOYEE BENEFITS

PENSION PLAN

Plan Description

The County has a contributory defined benefit pension plan (Plan) established pursuant to Government Code Sections 31450 through 31898 and administered by the Ventura County Employees' Retirement Association (VCERA). VCERA operates a cost-sharing multiple-employer system with substantially all member employers included in the County's primary government reporting entity. VCERA is governed by the Board of Retirement. Due to the relative insignificance of the non-County employers participating in the plan, the County has elected to include financial statement disclosures required for a single-employer plan. Membership in the VCERA is mandatory for substantially all employees.

The Plan's benefit provisions and contribution requirements are established by state law and resolutions and ordinances adopted by the Board of Retirement and Board of Supervisors.

VCERA issues a stand-alone financial report. A copy of this report can be obtained by contacting the Retirement Department at 800 South Victoria Avenue, Ventura, California 93009.

The actuarial covered payroll for all employers and employees covered by the Plan for the year ended June 30, 1998 was \$313,993,000.

Plan members are classified into either General or Safety categories. General members employed prior to or on June 29, 1979 are designated as Tier I members. General members employed after June 29, 1979 are designated as Tier II members. All Safety members are classified as Tier I regardless of date of hire and include eligible Sheriff, Fire Department, and District Attorney employees.

Plan membership at June 30, 1998 is as follows:

<u>Member Classification</u>	<u>Number of Members</u>
Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them:	
General	3,052
Safety	624
Current employees:	
Vested - General	3,610
Vested - Safety	798
Nonvested - General	1,985
Nonvested - Safety	<u>269</u>
Total	<u>10,338</u>

Retirement Allowances: A General or Safety member with 10 or more years of County service is entitled to an annual retirement allowance beginning at age 50. General members with 30 or more years of service and Safety members with 20 or more years of service may begin receiving a retirement allowance regardless of age. The basic retirement allowance is based upon the member's age, years of retirement service credit and final average compensation.

Employees terminating before accruing five years of retirement service credit (five year vesting) forfeit the right to receive retirement benefits unless they establish reciprocity with another public agency within the prescribed time period. Nonvested employees who terminate service are entitled to withdraw their accumulated contributions plus accrued interest.

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Employees who terminate service after earning five years of retirement service credit may leave their contributions on deposit and elect to take a deferred retirement.

As a condition of participation, employees are required to contribute a percentage of their annual compensation to the Plan. The balance of member contributions, General and Safety, on deposit at June 30, 1998, was \$238,337,000. The County's contribution to the Plan, based on actuarially determined percentages of payroll costs, together with the employee's contributions, are intended to provide the defined benefits of the Plan. Employer contributions on deposit at June 30, 1998, was \$476,636,000.

Death Benefits: In the event of a nonservice-connected death of an active member, the Retirement Association will pay a basic death benefit which consists of the member's accumulated contributions plus an amount equal to an average month's salary to a maximum of six months' salary. If the deceased member was vested, a surviving spouse may elect, in lieu of the basic death benefit, a monthly allowance equal to 60 percent of the monthly retirement allowance to which the deceased member would have been entitled had the member been retired for nonservice-connected disability as of the date of death.

In the event of a service-connected death of an active member, the basic death benefit is the same as the nonservice-connected death benefit described above. Regardless of the years of service, a surviving spouse may elect, in lieu of the basic death benefit, a monthly allowance equal to 100 percent of the monthly retirement allowance to which the deceased member would have been entitled had the member been retired for service-connected disability as of the date of death.

Benefits payable to a surviving spouse or other beneficiary of a member who dies after retirement depend upon the retirement option elected by the member at the time of retirement and whether the member's retirement was a regular service retirement, a nonservice-connected disability retirement or a service-connected disability retirement.

Disability Benefits: A member who becomes permanently disabled for the performance of his duties may be granted a disability retirement allowance payable for life. If the disability is the result of a job related injury or illness, the member may be granted a service-connected disability retirement. If the disability is not the result of a job related injury or illness, the member may receive a nonservice-connected disability retirement allowance.

Supplemental Benefits and Cost of Living Adjustments: On January 15, 1991, the Board of Supervisors adopted a resolution to make Government Code Section 31682 operative in Ventura County. Adoption of this section permitted the Board of Retirement to adopt a

resolution to provide a vested supplemental benefit of \$108.44 per month to all eligible retirees. Cost of living adjustments of up to three percent per annum are made for all Tier I retirees.

Actuarially Determined Contribution Requirements: The County's funding policy provides for periodic employer and employee contributions at actuarially determined rates, expressed as level percentages of annual covered payroll, that are sufficient to accumulate the required assets to pay benefits when due. The smoothing of market value method is used to determine the actuarial value of assets. In accordance with various employee collective bargaining agreements, the County subsidizes the employees' regular contributions in various amounts, depending on the classification of the employee. Contribution rates for employees range from 3.25 percent to 7.40 percent of retirement compensation base. Contribution rates are determined using the entry age normal actuarial cost method. Under this method, normal cost and the amortization of the unfunded actuarial accrued liability are expressed as a level percentage of payroll.

Employee and employer contribution rates in effect during fiscal year 1997-98 were based on the actuarial valuation performed as of June 30, 1997. Significant actuarial assumptions used in the 1997 valuation are summarized as follows:

	1997
(a) Rate of return on investment (net of administration)	8.25%
(b) Projected salary increases	5.25%
Amount attributable to inflation	4.50%
Amount attributable to seniority and merit	75%
(c) Annual cost of living increases after retirement (Tier I members only)	3.00%

The total contribution by all employers to the Plan in accordance with actuarially determined requirements was \$12,602,000 for fiscal year 1997-98. The County's contributions represented 99.0 percent of the total current year actuarially determined contribution requirements for all Plan employers.

Contributions and Transfers Made: Employer contributions for 1996, 1997, and 1998 included \$20,893,000, \$16,500,000 and \$12,602,000 of actuarially required contributions. These contributions represent 100 percent of the annual pension cost required for 1996, 1997, and 1998. Therefore, in accordance with GASB Statement No. 27, there is no net pension obligation for 1996, 1997, and 1998.

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The County also made other employer contributions. Payments were made on behalf of employees as a result of employer-employee negotiations for 1996, 1997, and 1998 in the amounts of \$3,738,000, \$3,895,000, and \$3,898,000 respectively. The negotiated amounts are credited to the County Advance Reserves of VCERA and do not vest with the employee.

The employees contributed \$5,386,000 (or 1.72 percent of covered payroll), including \$987,000 for purchase of service credits in fiscal year 1998. In addition, the County contributed \$11,463,000 on behalf of the employees as a "pickup" of employee contributions as a result of the employer-employee negotiations. This was credited to the individual employee accounts.

The following table summarizes the contributions for the year ended June 30, 1998, (in thousands):

		Actuarially Determined Contributions	Percent of Current Covered Payroll
Tier I members:			
Safety:	Normal	\$ 7,150	2.28%
	Unfunded liability	-	-
General:	Normal	116	.04%
	Unfunded liability	-	-
Tier II members:			
General:	Normal	5,336	1.70%
		<u>\$ 12,602</u>	<u>4.01%</u>

Supplemental Schedule of Funding Progress: The supplemental schedule of funding progress for the three most recent actuarial valuations is as follows (in thousands):

Actuarial Valuation June 30	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded (Funding Excess) AAL (b-a)	Funded Ratio (a/b)	Annual Covered Payroll (c)	Unfunded (Funding Excess) AAL as a Percentage of Covered Payroll ((b-a)/c)
1996	1,187,816	1,133,154	(54,662)	104.82%	285,811	(19.13)%
1997	1,395,976	1,243,960	(152,016)	112.22%	299,808	(50.70)%
1998 (1)	1,605,642	1,396,751	(208,891)	114.96%	313,993	(66.53)%

(1) After added pension compensation due to 1997 Supreme Court decision.

The actuarial assumptions used for the 1997 valuation are the same as the 1996 actuarial valuation and took into consideration the County's funding of the unfunded accrued actuarial liability through the Pension Obligation Bonds (Note 8).

Investment Valuation: VCERA's investments are presented at fair value. The fair value of investments is based on published market prices and quotations from major investment brokers at current exchange rates, as available. Many factors are considered in arriving at that fair value. In general, however, corporate bonds are valued based on yields currently available on comparable securities of issuers with similar credit ratings. Mortgages are valued on the basis of their future principal and interest payments discounted at prevailing interest rates for similar instruments. The fair value of real estate investments has been estimated based on independent appraisals. Short-term investments are reported at market value. For investments where no readily ascertainable market value exists, management, in consultation with their investment advisors, has determined the fair values for the individual investments.

Other than those investments issued or guaranteed by the United States Government, no investments in any one organization represent five percent or more of net plan assets.

6. TAX AND REVENUE ANTICIPATION NOTES PAYABLE

On July 1, 1997, the County issued \$100,000,000 in Tax and Revenue Anticipation Notes (Notes) at a 4.5 percent interest rate to meet current year cash flow requirements for operational needs. At June 30, 1998, the outstanding principal and interest balance was \$104,500,000. The maturity date of these notes was July 1, 1998.

The Notes, in accordance with California law, are general obligations of the County and are payable out of fiscal year 1998 taxes and other revenues which are legally available for payment thereof. All principal and interest was paid on July 1, 1998.

7. LEASES

The County leases various premises and equipment under both operating and capital leases. The related capital lease obligations have been recorded in the General Long-Term Obligations Account Group and proprietary fund types, as appropriate.

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The following is a summary, by year, of future minimum lease payments under all capital leases, together with the present value of the minimum lease payments, as of June 30, 1998, (in thousands):

	Enterprise Funds	Internal Service Funds
Year ending June 30:		
1999	\$ 311	\$231
2000	310	211
2001	310	163
2002	19	-
2003	19	-
2004 and thereafter	<u>143</u>	<u>-</u>
Total minimum lease payments	1,112	606
Less: amount representing interest	<u>152</u>	<u>36</u>
Present value of minimum lease payments	<u>\$960</u>	<u>\$569</u>

The following is a schedule of property leased under capital leases by major classes at June 30, 1998, (in thousands):

	General Fixed Assets Account Group	Enterprise Funds	Internal Service Funds
Structures and improvements	\$301	\$ 789	\$ -
Equipment	-	<u>1,237</u>	<u>1,247</u>
Total	301	2,026	1,247
Less: accumulated amortization	<u>190</u>	<u>851</u>	<u>488</u>
Total net of amortization	<u>\$111</u>	<u>\$1,175</u>	<u>\$ 759</u>

Rental expense for operating leases (principally for the General Fund) was \$12,501,000 for the year ended June 30, 1998. Operating leases are principally for terms of less than one year.

Various Enterprise Fund properties are leased to others under operating leases with terms of up to forty years. The following is a summary of future minimum rentals on noncancellable leases at June 30, 1998 (in thousands):

Year ending June 30:	
1999	3,523
2000	3,309
2001	3,164
2002	3,010
2003	2,867
2004 and thereafter	<u>49,973</u>
Total	<u>\$65,846</u>

Contingent rentals, based on percentages of lessee sales, under certain of the above operating leases totaled approximately \$895,802 for the year ended June 30, 1998.

8. LONG-TERM OBLIGATIONS

Long-term obligations of the County consist of general obligation and lease revenue bonds, pension obligation bonds, certificates of participation, capital lease obligations (Note 7), compensated absences and loans which are payable from the General, special revenue, debt service, enterprise, internal service, and the Pension Trust funds.

Governmental Funds

The long-term obligations of the General Fund, special revenue funds and debt service funds are recorded in the General Long-Term Obligations Account Group.

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A summary of changes in long-term obligations recorded in the General Long-Term Obligations Account Group for the primary government follows (in thousands):

Debt service requirements to maturity for the General Long Term Obligations Account Group are as follows (in thousands):

	Outstanding July 1, 1997	Additions	Retirements	Outstanding June 30, 1998
Ventura County Flood Control District General Obligation Bonds- 3.00% to 11.0% Final Maturity 03/04	\$ 5,295	\$ -	\$ 1,440	\$ 3,855
Public Facilities Corporation (PFC I) Lease Revenue Bonds- 6.0% to 7.25% Final Maturity - Series B 08/02	12,400	-	1,800	10,600
Public Facilities Corporation (PFC III) Certificates of Participation- 3.75% to 6.50% Final Maturity 12/00	22,921	-	5,289	17,632
Public Facilities Corporation (PFC IV) Certificates of Participation- 3.20% to 5.75% Final Maturity 12/07	27,670	-	1,920	25,750
Other Public Authorities Lease Revenue Bonds- 4.75% to 6.75% Final Maturity - Simi Valley 12/02 Final Maturity - Camarillo Library 07/98	1,230	-	215	1,015
County Service Areas Loans Payable-6.6% Final Maturity 11/08	308	-	17	291
Pension Obligation Bonds 5.67% to 6.63% Final Maturity 11/07	149,085	-	6,520	142,565
City of Thousand Oaks Loan Final Maturity 11/99	1,375	-	650	725
Redevelopment Agency Loan	140	-	-	140
Capital Lease Obligations	22	-	22	-
Compensated Absences	18,162	13,366	14,445	17,083
Other Liabilities	568	-	-	568
Total	<u>\$239,176</u>	<u>\$13,366</u>	<u>\$32,318</u>	<u>\$220,224</u>

	Flood Control District	Public Facilities Corporation	Other Public Authorities	County Service Areas	Pension Obligation Bonds	City of Thousand Oaks
Year ending June 30:						
1999	1,565	12,482	290	38	16,561	650
2000	1,113	12,470	214	38	17,397	347
2001	527	12,400	228	38	18,275	-
2002	538	5,991	217	38	19,198	-
2003	308	5,390	205	38	20,155	-
2004 and thereafter	<u>309</u>	<u>16,769</u>	<u>-</u>	<u>228</u>	<u>103,824</u>	<u>-</u>
	4,360	65,502	1,154	418	195,410	997
Less: Amount representing interest	<u>505</u>	<u>11,520</u>	<u>139</u>	<u>127</u>	<u>52,845</u>	<u>272</u>
Total	<u>\$3,855</u>	<u>\$53,982</u>	<u>\$1,015</u>	<u>\$291</u>	<u>\$142,565</u>	<u>\$725</u>

General obligation bonds are not collateralized and are direct obligations of the Flood Control Districts. Revenue for retirement of such bonds is provided from ad valorem taxes on property within the Flood Control Districts.

Debt service on lease revenue bonds and certificates of participation is derived from annual lease rental payments made by various County departments or agencies for use of the facilities constructed or purchased from the bond and note proceeds.

The Flood Control District received voter approval in 1967 for general obligation bonds for flood control improvements. Various series of bonds were issued up to the approved total of \$25,000,000. Revenues are received primarily through ad valorem taxes on property. The outstanding principal balance was \$3,855,000 on June 30, 1998.

On June 8, 1976, the Public Facilities Corporation issued lease revenue bonds in the amount of \$31,000,000, PFC I, to finance the construction of the Hall of Administration and the Hall of Justice at the County's main campus. The outstanding principal balance was \$10,600,000 at June 30, 1998.

On May 1, 1985, the Public Facilities Corporation issued \$51,765,000 in certificates of participation (PFC II). The proceeds financed four construction projects (County Medical Center parking lot and renovation, Oxnard office building, and East Valley law enforcement facility) and two purchased projects (the Telephone Road building and fire trucks). Renovation of the County Medical Center facility and modification of its parking lots, are being paid from

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the Medical Center Enterprise Fund. Accordingly, invested proceeds of the certificates for debt service reserves (recorded as restricted assets-investments) and related obligations associated with these projects have been accounted for in the Medical Center Enterprise Fund. These certificates were refunded by PFC III, described below.

On February 1, 1987, the Public Facilities Corporation issued \$63,800,000 in certificates of participation (PFC III). Proceeds from the issuance were used for the retirement of certificates of participation (Ventura County Public Facilities Project of 1985, PFC II) on December 1, 1992, as well as for the acquisition of certain equipment and the construction and renovation of certain public facilities. The outstanding principal was \$17,632,000 at June 30, 1998.

One project utilizing 1987 certificates of participation proceeds involves the purchase of microwave equipment for the Information Systems Internal Service Fund. Debt service relating to this equipment has been paid in full from Information Systems Internal Service Fund resources. Invested proceeds of the certificates for debt service reserves (recorded as restricted assets - investments) are recorded in the Internal Service Fund.

On February 18, 1993, Public Facilities Corporation issued \$34,765,000 in certificates of participation (PFC IV). The proceeds of these certificates are being used to augment construction funds for a new jail which opened March 1995, a medical examiner facility which opened October 1996, a new mental health facility which opened June 1996, to purchase land for additional social services parking, purchase a building to be used as a medical clinic which opened in June 1996, and purchase an office building which opened in January of 1996. The outstanding principal balance was \$25,750,000 as of June 30, 1998.

Other Public Authorities include the library activities of the Simi Valley Civic Center Authority and the Camarillo Library Authority and the lease revenue bond issues for the construction of the Simi Valley Library and the Camarillo Library. The trustee receives transfers from the County Library Special Revenue Fund based on lease-purchasing agreements. The outstanding principal balance was \$1,015,000 at June 30, 1998.

On November 16, 1982, County Service Area 30 (Nyeland Acres) financed of the local share of the Nyeland Acres Wastewater Facilities Project in the amount of \$459,422. The outstanding principal balance was \$291,000 at June 30, 1998.

On December 1, 1995, the County issued \$154,510,000 of pension obligation bonds. The bonds were issued to provide funds to allow the County to fund the unfunded actuarial accrued liability with respect to retirement benefits for County employees. Annual principal payments

are due November 1, and semiannual interest payments are due May 1 and November 1. The outstanding principal balance was \$142,565,000 as of June 30, 1998.

Effective July 1, 1995, the County has entered into an agreement with the City of Thousand Oaks (City) to accept restricted funds in the amount of \$2,675,000 from the City's share of investment earnings from a previous debt issuance. In exchange for these funds, the County signed a non-interest bearing note to the City which will be repaid in five annual installments with the loan maturing on November 15, 1999. The loan will be utilized for capital projects. The outstanding principal balance was \$725,000 as of June 30, 1998.

On September 12, 1996, the County Redevelopment Agency obtained a no-interest \$150,000 loan from the Community Development Block Grant program. The loan was obtained for planning projects in response to damage to Piru's town center and public infrastructure, through a project of community reinvestment. There is no due date on the loan, and the outstanding balance at June 30, 1998 was \$140,000.

The long term portion of governmental fund type liability for compensated absences amounted to \$17,083,000 at June 30, 1998.

Other liabilities include the liability for the General Fund health departments' portion of medical malpractice insurance claims incurred but not reported losses (tail coverage) with an outstanding balance of \$568,000 at June 30, 1998.

A bridge loan between General Fund and Medical Center in the amount of \$2,258,000 for purchase of the Knoll Drive building is outstanding and will be repaid from Certificates of Participation borrowing (Note 20).

Proprietary Fund Types and Pension Trust Funds

Long-Term Obligations of the enterprise, internal service, and Pension Trust funds are recorded within the specific fund and are summarized as follows (in thousands):

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	Outstanding July 1, 1997	Additions	Retirements	Outstanding June 30, 1998
Medical Center PFC III Certificates of Participation 3.75% - 6.5% Final Maturity 12/00	\$ 3,275	\$ -	\$ 747	\$ 2,528
West Ventura Clinic PFC IV Certificates of Participation 3.2% - 5.75% Final Maturity 12/07	2,065	-	145	1,920
Information Systems PFC III Certificates of Participation Final Maturity 12/00 - 3.75% - 6.5%	114	-	114	-
Waterworks Districts General Obligation Bonds Final Maturity 07/03 3.75% - 12%	1,200	-	500	700
Channel Islands Harbor Loan Final Maturity 06/12 - 6%	335	-	15	320
Harbor State Loan Recreation Final Maturity 08/21 - 6%	4,507	-	314	4,193
State Water Loan Final Maturity 04/14 - 3.4%	208	-	9	199
Water Revenue Refunding Bonds Final Maturity 06/01 - 3.5% - 5%	555	-	130	425
Capital Lease Obligations	1,265	592	328	1,529
Compensated Absences	<u>3,247</u>	<u>3,493</u>	<u>3,631</u>	<u>3,109</u>
Total	<u>\$16,771</u>	<u>\$ 4,085</u>	<u>\$5,933</u>	<u>\$14,923</u>

Loans payable by the enterprise funds totaled \$4,712,000 on June 30, 1998. The loans were obtained primarily from the State of California and the Federal Government to finance capital improvements.

In fiscal year 1993-94, Waterworks District #19 issued Water Revenue Refunding Bonds to advance refund the 1981 Series Water Revenue Bonds. The outstanding principal balance was \$425,000 as of June 30, 1998.

Total debt service requirements to maturity, excluding capital leases and compensated absences, for enterprise funds are as follows (in thousands):

<u>Enterprise</u>	
Year ending June 30:	
1999	2,139
2000	2,110
2001	1,983
2002	906
2003	798
2004 and thereafter	<u>4,897</u>
	12,833
Less: amount representing interest	<u>2,548</u>
Total	<u>\$10,285</u>

Certificates of participation and general obligation bonds payable associated with the enterprise funds totaled approximately \$4,448,000 and \$700,000, respectively, at June 30, 1998. Certificates of participation payable associated with the internal service funds which had an outstanding balance of approximately \$114,000 at June 30, 1997, were paid in full at June 30, 1998.

General obligation bonds are not collateralized and are direct obligations of the Waterworks Districts. Revenue for retirement of the bonds is provided from ad valorem taxes on property within the Waterworks Districts. Debt service on certificates of participation is derived from annual lease rental payments made by various County departments for use of the facilities constructed or purchased from the debt proceeds.

Special Assessment District

At June 30, 1998, \$5,965,000 of limited obligation improvement bonds, assessment district #90-1 (Lake Sherwood) were outstanding. The bonds were issued February 1, 1991, in the amount of \$7,345,000 with interest rates varying from 6.25 to 8.25 percent. The bonds will be repaid solely from the proceeds of the assessments of property owners. The County is only acting as agent for the property owners in collecting the assessments, forwarding the collection to bondholders, and initiating foreclosure proceedings, if appropriate. The bonds do not represent a liability of the County, and, as such, do not appear in the accompanying financial statements.

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9. INTERFUND TRANSACTIONS

Individual fund interfund balances of receivables and payables at June 30, 1998 were as follows (in thousands):

Due To/From Other Funds	Interfund Receivables	Interfund Payables
Primary Government:		
General Fund	\$119,117	\$ 13,599
Special Revenue Funds:		
Roads	28	1,087
County Library	39	43
HUD Grants	-	214
Loan Funds	-	24
Fish and Game	4	-
Domestic Violence Program	2	-
Flood Control District	1,166	2,248
Solid Waste	1	7
County Service Areas	10	73
Fire Protection District	7,470	216
Workforce Development	7	43
Inmate Welfare	9	15
Redevelopment Agency Piru Project	36	41
Debt Service Funds:		
Redevelopment Agency Piru Project	-	35
Flood Control District	2	-
Pension Obligation Bonds	3	298
Capital Projects Fund:		
Public Facilities Corporation	-	2,205
Enterprise Funds:		
Medical Center	1,551	11,000
Recreation	980	128
Airports	66	105
Channel Islands Harbor Expansion	8	117
Waterworks Districts	205	545
Channel Islands Harbor	126	276
Health Care Plan	41	449
Internal Service Funds:		
Public Works Services	2,662	205
Heavy Equipment	550	167
Transportation	781	50
General Insurance	11,038	139
Information Systems	2,313	65
General Services	726	319
Employee Benefits Insurance	26	98
Personnel Services	6	1
Pension Trust and Agency Funds:		
Pension Trust	5	100
County Funds	2,755	114,353
Property Tax Collection Funds	647	1,561
Funds of Other Governmental Units	2,180	4,734
Total Primary Government	<u>154,560</u>	<u>154,560</u>
Due To/From Primary Government and Component Units		
Primary Government:		
General Fund	2	-
Transportation	6	-
General Services	1	-
Information Systems	7	-
County Funds	-	10
Component Unit:		
Air Pollution Control District	10	16
Total Reporting Entity	<u>\$154,586</u>	<u>\$154,586</u>

10. FUND BALANCES

The following is a summary of fund balances at June 30, 1998 (in thousands):

	General Fund	Special Revenue Funds	Debt Service Funds	Capital Projects Fund	Pension Trust Fund
Reserved					
General	\$ 5,000	\$ -	\$ -	\$ -	\$ -
Debt service	-	-	9,633	-	-
Imprest accounts	12	-	-	-	-
Clearing accounts	512	-	-	-	-
Inventories	14	568	-	-	-
Encumbrances	7,031	9,112	-	-	-
Loans receivable	324	1,495	-	-	-
For employees' pension benefits	-	-	-	-	1,912,182
Total reserved fund balances	<u>12,893</u>	<u>11,175</u>	<u>9,633</u>	<u>-</u>	<u>1,912,182</u>
Unreserved					
Designated:					
Litigation	462	233	-	-	-
Low/Mod housing	-	27	-	-	-
Fixed asset acquisition	5,000	-	-	-	-
Contingency	1,450	-	-	-	-
System enhancement	-	6,351	-	-	-
Future year financing	6,093	9,894	-	-	-
Total designated	<u>13,005</u>	<u>16,505</u>	<u>-</u>	<u>-</u>	<u>-</u>
Undesignated	<u>1,637</u>	<u>31,235</u>	<u>5,052</u>	<u>4,411</u>	<u>-</u>
Total unreserved fund balances	<u>4,642</u>	<u>47,740</u>	<u>5,052</u>	<u>4,411</u>	<u>-</u>
Total fund balances	<u>\$27,535</u>	<u>\$58,915</u>	<u>\$14,685</u>	<u>\$4,411</u>	<u>\$1,912,182</u>

General Reserves

The General reserves included in the General Fund represent a legally restricted portion of fund balance. According to California law, general reserves cannot be appropriated by the Board at any time during the year unless there is an emergency as defined in the law.

Unreserved Designations

Unreserved designations of fund balance are adopted by the Board for tentative planned uses but may become available for other uses as adopted by a four-fifths vote of the Board.

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11. HEALTH CARE OPERATIONS

The Medical Center Enterprise Fund, including various clinics, provides services to eligible patients under various federal and state government programs, primarily Medi-Cal and Medicare. Services to Medi-Cal inpatients are provided at contractually agreed-upon rates per diem. Services to Medicare inpatients are paid under prospectively determined rates based upon diagnosis-related groups (DRG's). Reports on the results of cost report audits have been received through June 30, 1995 for Medicare. For the year ended June 30, 1998, the Medi-Cal and Medicare programs represented approximately 47 percent and 11 percent, respectively, of gross patient care revenues.

The Medical Center records patient care revenues at established billing rates for all patients as services are provided. The difference between such billing rates and estimated amounts to be received from third-party payors, along with the provision for uncollectible accounts, is recorded as a reduction from patient revenues in the provision for contractual and uncollectible accounts.

The County has responsibility for the care of certain patients qualifying under the State's Medically Indigent Adult (MIA) Program. The Medical Center received \$4,740,000 of realignment sales tax revenue from the State for this program during the year ended June 30, 1998. The Medical Center also received special funding grants (i.e., Proposition 99, Legalized Indigent Medical Assistance, Emergency Medical Services, Senate Bill 855, Senate Bill 1255) related to indigent care of \$16,218,000 during the year ended June 30, 1998. The grants are included in the financial statements as a reduction to the provision for contractual and uncollectible accounts. In addition, the Medical Center received a General Fund transfer of \$6,067,000 and realignment vehicle license fee based revenue of \$8,740,000.

Charges for services for the Medical Center for the year ended June 30, 1998 are composed of the following (in thousands):

Patient service revenue	\$130,371
Provision for contractual allowances	(23,015)
Provision for uncollectible accounts	<u>(24,875)</u>
Patient service revenue - net	82,481
Other operating revenues	<u>8,535</u>
Total	<u>\$91,016</u>

At June 30, 1998, patient accounts receivable are net of an allowance for contractual and uncollectible accounts of \$32,367,000.

The Medical Center is covered by a medical malpractice insurance policy on a claims-made basis. This policy is administered through the General Insurance Internal Service Fund. It provides deductibles of 50 percent of the first \$200,000 indemnity per claim and provides liability coverage up to \$20,000,000 per claim. Reserves for the self-insured retention on known claims are recorded in the General Insurance Internal Service Fund. Liability for incurred but not reported claims (i.e., tail coverage) for the Medical Center is recorded in the Medical Center Enterprise Fund and liability for General Fund health departments is recorded in the General Long-Term Obligations Account Group.

12. CONTINGENCIES

The County is a defendant in various lawsuits incident to its operations. In the opinion of County Counsel and management, such claims against the County not covered by insurance would not materially affect the financial condition of the County (See also Note 19).

The County recognizes as revenue grant monies received as reimbursement for costs incurred in certain federal and state programs it administers. The County's grant programs have been audited through June 30, 1998 under the requirements of the Single Audit Act of 1997 and OMB Circular A-133. Such programs are generally also subject to review and financial and compliance audits by the grantor agencies. Such audits could result in requests for reimbursement to grantor agencies for expenditures disallowed under the terms of the grant or in reductions of future grant monies. A designation for contingencies in the amount of \$1,450,000 is set up in the General Fund for this possibility. Based upon prior experience, management believes that grant costs ultimately disallowed, if any, would not materially affect the financial condition of the County.

On August 14, 1997, the California Supreme Court held that additional benefits be included in the calculation of final compensation for retirement benefits. Future impact on County retirement contributions will be determined by upcoming actuarial studies pending and by court cases regarding retroactivity, and the amount of offsetting actuarial surplus.

The reorganization in April 1998 moving mental health services from Health Care Agency to Human Services Agency requires federal and state approvals to insure full receipt of Medicare and Medical revenue as well as other related revenues. The County has requested the required approvals.

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13. SEGMENT INFORMATION FOR ENTERPRISE FUNDS

The County maintains enterprise funds which provide medical, recreation, airport, harbor, sewer collection and disposal, and water delivery services. Segment information at June 30, 1998, and for the year then ended follows (in thousands):

	Medical Center	Recreation	Airports	Chan. Harbor Expansion	Isles Works Districts	Water Islands Harbor	Chan Care Plan	Total
Operating revenues	\$91,016	\$1,687	\$ 5,036	\$2,230	\$11,034	\$2,224	\$6,996	\$120,223
Depreciation and amortization	3,047	632	746	262	908	101	-	5,696
Operating income (loss)	4,531	(1,204)	1,104	680	173	(333)	(130)	4,821
Nonoperating revenues (expenses):								
Grants	-	-	90	-	-	29	-	119
Tax revenues	-	-	-	-	251	-	-	251
Other - net	(144)	(32)	265	(60)	1,593	14	156	1,792
Operating transfers:								
In	14,807	-	-	-	-	-	-	14,807
Out	(19,211)	-	-	-	-	-	-	(19,211)
Net income (loss)	(17)	(1,236)	1,459	620	2,017	(290)	26	2,579
Capital transactions:								
Contributions in	116	1,065	5	1	540	655	-	2,382
Contributions out/deletions	-	2,372	-	-	258	45	-	2,675
Property and equipment:								
*Additions	2,288	104	3,115	-	4,599	730	-	10,836
*Deletions	-	752	-	-	2,965	5	-	3,722
Net working capital	14,701	1,874	4,424	2,316	30,873	176	162	54,526
Total assets	61,691	20,094	28,266	7,445	74,111	4,027	2,598	198,232
Non-current liabilities	8,543	650	823	4,201	1,135	53	-	15,405
Total equity	\$33,873	\$19,163	\$27,202	\$2,590	\$70,871	\$3,470	\$1,162	\$158,331

* Amounts include transfers from construction in progress.

14. CONTRIBUTED CAPITAL

During the year, contributed capital increased and decreased by the following amounts (in thousands):

	Contributed Capital July 1, 1997	Additions	Deletions	Contributed Capital June 30, 1998
Enterprise Funds:				
Medical Center	\$ 24,195	\$ 116	\$ -	\$ 24,311
Recreation	19,567	1,065	2,372	18,260
Airports	22,509	5	-	22,514
Channel Isl. Harbor Expansion	77	1	-	78
Waterworks Districts	34,036	540	258	34,318
Channel Isl. Harbor	2,168	655	45	2,778
Health Care Plan	1,000	-	-	1,000
Total Enterprise Funds	103,552	2,382	2,675	103,259
Internal Service Funds:				
Public Works Services	243	-	-	243
Heavy Equipment	6,849	412	-	7,261
Transportation	10,236	522	57	10,701
General Insurance	273	-	1	272
Information Systems	7,931	2,073	-	10,004
General Services	1,411	1	22	1,390
Total Internal Service Funds	26,943	3,008	80	29,871
Total Contributed Capital	\$130,495	\$ 5,390	\$ 2,755	\$133,130

The Recreation Enterprise Fund's contributed capital and retained earnings at July 1, 1997 were restated to properly record prior period alternative depreciation on donated fixed assets. Contributed capital was decreased and retained earnings was increased by \$498,000.

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15. RECONCILIATION OF OPERATIONS ON MODIFIED ACCRUAL BASIS TO BUDGETARY BASIS

The Combined Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual on Budgetary Basis - General Fund, Special Revenue Funds, and certain budgeted Debt Service Funds presents comparisons of the legally adopted budget with actual data on a budgetary basis. Because accounting principles applied for purposes of developing data on a budgetary basis differ from those used to present financial statements in accordance with GAAP, a reconciliation of the resultant differences is necessary. An explanation of these differences appears in Note 1 under Budgetary Basis of Accounting.

The following schedule is a reconciliation of the resultant basis and entity differences of the budgetary and GAAP basis fund balances at June 30, 1998 (in thousands):

	General Fund	Special Revenue Funds	Debt Service Funds
Fund balances - Actual on a budgetary basis	\$27,240	\$58,879	\$ 1,150
Adjustments:			
Accrual for compensated absences	292	(28)	-
Change in reserve for inventories	<u>3</u>	<u>64</u>	<u>-</u>
Subtotal	295	36	-
Fund balances - nonbudgeted funds	<u>-</u>	<u>-</u>	<u>13,535</u>
Fund balances - GAAP basis	<u>\$27,535</u>	<u>\$58,915</u>	<u>\$14,685</u>

16. DEFERRED COMPENSATION PLANS

The County offers its employees deferred compensation plans created in accordance with Internal Revenue Code Sections 457(b) and 401(k). The plans permit eligible employees to defer a portion of their salary until future years so as to shelter such funds from federal and state taxation until withdrawal, usually during their retirement years. Participation in the plans is optional. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

All compensation deferred under the 401(k) plan in the amount of \$82,581,000, and the 457(b) plan in the amount of \$126,105,000, stated at market value, are held in trust for the exclusive benefit of plan participants and their beneficiaries. Investments are in the custody of and managed by the plan's external trustee under one of twenty-one investment options, or a combination thereof. The choice of the investment option(s) is made by the participants. A County committee provides only general oversight to the plans. Management elected not to include the plans in financial statements in accordance with GASB Statement No. 32 "Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans." The beginning balances for trust and agency funds - total assets and total liability have been reduced by \$174,929,000.

17. RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; hospital liability (malpractice); errors and omissions; theft of, damage to, and destruction of assets; and natural disasters for which the government is either self-insured, commercially insured, or a combination of both.

The Human Resources Department acquired commercial insurance, effective December 1993, for primary group medical insurance. Unemployment and disability insurance is self-insured and is also administered by the Human Resources Department within the Employee Benefits Insurance Internal Service Fund. Professional Firefighters and Deputy Sheriffs Associations also administer commercial group medical insurance plans available for their members.

The Ventura County Health Care Plan Enterprise Fund (VCHCP) administered by the Health Care Agency administers a County self-insured medical plan for County employees. In addition, a separate self-insured plan is offered to certain other County employees and to related clinic employees through their employers. A state healthy families plan is also available from VCHCP. Excess commercial coverage is also purchased for VCHCP. In addition, medical malpractice tail coverage is self-insured as reported in Note 11.

The County is the State administrator for the mental health managed care programs for inpatient care effective January 15, 1995, and outpatient care effective April 1, 1998. Future capitated rates will be set by the State.

The Risk Management department within the General Insurance Internal Service Fund administers the commercial and self-insurance aspects of the County's risk programs. General liability is self-insured to \$500,000 per occurrence, thereafter covered by excess commercial liability insurance to \$20 million per occurrence, then self-insured to an unlimited amount. Medical malpractice liability insurance is purchased each year with a \$100,000

COUNTY OF VENTURA
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
JUNE 30, 1998

deductible with coverage to \$50 million. The Risk Management department maintains commercial insurance for workers' compensation occurrences. There were no claims settlements that have exceeded insurance coverages during the past three fiscal years.

The unpaid claims liabilities included in each self-insurance fund are based on actuarial or historical studies and include amounts for claims incurred but not reported. Beginning with fiscal year 1994-95, the General Insurance liabilities were discounted at 5.5 percent. The revenue received, funded liabilities and retained earnings are sufficient to meet liabilities as they come due.

Changes in the balances of claims liabilities of internal service funds during fiscal years 1997 and 1998 are as follows (in thousands):

	June 30, 1998	June 30, 1997
Accrued insurance losses, beginning	\$15,136	\$32,419
Incurred losses	2,801	6,554
Claim payments	(3,439)	(11,137)
Premium transfer cost	-	(12,700)
Accrued insurance losses, ending	<u>\$14,498</u>	<u>\$15,136</u>

18. CONDENSED COMPONENT UNIT FINANCIAL STATEMENTS

Condensed component unit financial statements are presented below for the discretely presented component unit, APCD, as of and for the year ended June 30, 1998.

Discretely Presented Component Unit Condensed Balance Sheet June 30, 1998		Air Pollution Control District
<u>Assets:</u>		
Current assets		\$ 5,004
Fixed assets		1,383
Amounts to be provided for payment of long-term obligations		<u>216</u>
Total assets		<u>\$ 6,603</u>
<u>Liabilities and Equity:</u>		
Liabilities		
Current liabilities		\$ 1,061
Long-term compensated absences		<u>216</u>
Total liabilities		<u>1,277</u>
Equity		
Investment in fixed assets		1,383
Fund balance		<u>3,943</u>
Total equity		<u>5,326</u>
Total liabilities and equity		<u>\$ 6,603</u>

Discretely Presented Component Unit Condensed Statement of Revenues, Expenditures, and Changes in Fund Balances Year Ended June 30, 1998		Air Pollution Control District
Revenues:		\$ 6,018
Expenditures:		
Current public protection		5,528
Capital outlay		<u>55</u>
Total expenditures		<u>5,583</u>
Excess of revenues over expenditures		<u>435</u>
Other financing uses - transfer to primary government		<u>(218)</u>
Excess of revenue over expenditures and other financing uses		<u>217</u>
Beginning fund balance		<u>3,726</u>
Ending fund balance		<u>\$ 3,943</u>

COUNTY OF VENTURA
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
JUNE 30, 1998

19. YEAR 2000 (Y2K CONTINGENCY)

The year 2000 issue is the result of the potential inability of many computerized data-processing systems and other equipment to identify correct dates that may adversely affect operations in the year 1999 and beyond. The issue arises because most computer programs have been written using two digits rather than four to define the applicable year and therefore cannot distinguish between 1900 and 2000.

The County, under the direction of the Information Systems Department, began planning for Y2K during fiscal year 1996-97 and completed the awareness and assessment stages for computer mainframe systems by June 30, 1998. The remediation and validation/testing phases began in fiscal year 1998-99 and are being approached on a mission-critical basis.

By September 1998, Year 2000 policies and guidelines were developed and departments were instructed to begin their assessments of departmental networks, personal computers, departmental supported software, and equipment with embedded chips. General Services Agency was assigned the review of centralized equipment with embedded chips, such as elevators. In addition, the County is developing a contingency plan for system Y2K failures.

Departments are expected to absorb most departmental costs. A borrowing program provides funding for centralized systems and has been included in the 1998-99 budget. The contract commitments at June 30, 1998 for Y2K related projects amounted to approximately \$587,000.

The County expects that its computers, software and other Y2K dependent equipment will be Year 2000 ready and that it will be able to provide the services for which it is responsible without interruption after 1999; however, no guaranty or assurances can be given that all systems will be timely converted or that failure of vendors, customers or other business services, such as banking, would not have an adverse effect on the County's operations.

20. SUBSEQUENT EVENTS

On July 1, 1998, the County issued \$79,225,000 in 12.00 percent fixed rate, priced to yield 3.52 percent, tax and revenue anticipation notes. The notes received SP-1+ and MIG1 from Standard & Poor's Corporation and Moody's Investors Service, respectively. Proceeds from the notes will be used to meet fiscal year 1999 expenditures including capital expenditures and the discharge of other obligations of the County. The maturity date of the notes is July 1, 1999.

On October 22, 1998, the County issued their first Tax Exempt Commercial Paper (TECP) in the amount of \$35 million at 2.85 percent interest. A total of \$51 million was authorized. The notes received an A-1+ from Standard & Poor's based on a letter of credit provided by Commerzbank A.G.. Proceeds from the notes will be used for various capital projects and the refunding of PFC I and PFC III. The maturity date of the paper is February 8, 1999. The county intends to roll over the borrowing.

On November 24, 1998, the County issued Certificates of Participation (COPs) (Public Facilities Corporation V) in the amount of \$12,385,000 with an interest rate of 4.53 percent and insured through Municipal Bond Insurance Association. The COPs received an AAA and Aaa rating from Standard & Poor's and Moody's Investors Services, respectively. The proceeds will be used for refinancing existing debt to obtain a lower interest rate and purchase, construction and renovation of buildings to reduce the need for leased office space. The maturity date is August 15, 2013.

**Supplemental Combining, Individual Fund
and Individual Account Group
Financial Statements and Schedules**

General Fund

COUNTY OF VENTURA
SCHEDULE OF EXPENDITURES
BUDGET AND ACTUAL ON BUDGETARY BASIS
GENERAL FUND
YEAR ENDED JUNE 30, 1998
(In Thousands)

	BUDGET	ACTUAL ON BUDGETARY BASIS	VARIANCE - FAVORABLE (UNFAVORABLE)
Expenditures:			
Current:			
General government:			
Salaries and benefits	\$ 23,185	\$ 22,409	\$ 776
Services and supplies	26,308	16,099	10,209
Other charges	19,316	19,251	65
Contingencies	<u>502</u>	<u>-</u>	<u>502</u>
Total general government	<u>69,311</u>	<u>57,759</u>	<u>11,552</u>
Public protection:			
Salaries and benefits	173,417	162,336	11,081
Services and supplies	58,389	51,243	7,146
Other charges	<u>11,067</u>	<u>11,066</u>	<u>1</u>
Total public protection	<u>242,873</u>	<u>224,645</u>	<u>18,228</u>
Health services:			
Salaries and benefits	46,989	45,744	1,245
Services and supplies	26,301	24,371	1,930
Other charges	<u>2,483</u>	<u>1,420</u>	<u>1,063</u>
Total health services	<u>75,773</u>	<u>71,535</u>	<u>4,238</u>
Public assistance:			
Salaries and benefits	38,011	36,421	1,590
Services and supplies	16,802	14,634	2,168
Other charges	<u>77,670</u>	<u>64,676</u>	<u>12,994</u>
Total public assistance	<u>132,483</u>	<u>115,731</u>	<u>16,752</u>
Education:			
Salaries and benefits	126	125	1
Services and supplies	<u>237</u>	<u>237</u>	<u>-</u>
Total education	<u>363</u>	<u>362</u>	<u>1</u>
Capital outlay - Equipment	13,682	8,082	5,600
Debt service:			
Principal retirement	650	650	-
Interest and fiscal charges	<u>4,798</u>	<u>4,500</u>	<u>298</u>
Total expenditures	<u>\$539,933</u>	<u>\$483,264</u>	<u>\$56,669</u>

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Special Revenue Funds

SPECIAL REVENUE FUNDS

ROADS FUND

This fund provides for planning, design, construction, maintenance, and administration of County roads. It also engages in traffic safety and other transportation planning activities. Revenues consist primarily of the County's share of state highway use taxes, sales taxes, and federal grants.

COUNTY LIBRARY FUND

This fund provides library services in fifteen branches throughout the County, except in the City of Oxnard, City of Thousand Oaks, and Santa Paula School District, which provide their own library facilities. Support is derived principally from property taxes and includes donations from citizens groups and cities.

H.U.D. GRANTS FUND

This fund is primarily used to account for federal grants from the Department of Housing and Urban Development for development of low and moderate income housing, rehabilitation and improvements of public facilities, and meeting conditions which pose a serious and immediate threat to health and welfare in the County.

LOAN FUND

This fund is primarily used to account for federal and state funds from the Department of Commerce Economic Development Administration to provide assistance to entities that were impacted by the Northridge earthquake disaster and downsizing of the defense industry.

FISH AND GAME FUND

This fund was established to receive the County's share of fines levied for violations of fish and game laws within its boundaries. Expenditures are made from time to time for purposes of improving the habitat for wildlife propagation and for incidental administrative matters.

DOMESTIC VIOLENCE PROGRAM FUND

This program is responsible for providing services to victims of domestic violence and their children in accordance with state statute and to explore and determine ways of reducing incidences of domestic violence. The program is funded by a special surcharge levied on the issuance of all marriage licenses.

TRIAL COURT OPERATIONS FUND

This fund is used to account for the first six months of fiscal year 1997-98 for revenues received from the state and interest earnings thereon, and the expenditures for court operations functions which have been designated to be funded under the Trial Court Funding Program. Effective January 1, 1998, pursuant to Chapter 850, Statutes of 1997, the Court operations are administered by the state and recorded as an agency fund. County costs for state unallowable costs are recorded in the General Fund.

FLOOD CONTROL DISTRICT

The function of the Flood Control District is to control flood and storm waters and to conserve such waters for beneficial public use. Revenues are primarily received from property taxes, aid from other governmental units, and charges for current services.

SOLID WASTE FUND

Solid Waste Management is responsible for the development and administration of local and countywide plans and the enforcement of County ordinances relative to solid waste matters. Funding is derived from aid from other government units; licenses, permits and franchises; and charges for services. Services were previously provided within the General Fund.

COUNTY SERVICE AREAS

County Service Areas account for lighting, street and road maintenance, ambulance service, recreation, and wastewater treatment facilities in specific geographic areas. Support is derived principally from property taxes and service charges in each service area.

FIRE PROTECTION DISTRICT

The Fire Protection District provides fire protection to the unincorporated areas of the County as well as the cities of Camarillo, Moorpark, Ojai, Port Hueneme, Simi Valley, and Thousand Oaks. Support is derived principally from property taxes and aid from other governmental units.

WORKFORCE DEVELOPMENT FUND

This fund provides services to the public and private sectors to perform the planning, operation, administration, and management of job training programs pursuant to the Job Training Partnership Act, the Job Training Reform Amendments of 1992, regulations of the U.S. Department of Labor, Family Economic Security Act, and the directions of the Governor of the State of California. The County of Ventura assumed grant recipient and administrative entity functions on December 3, 1995.

SPAY/NEUTER PROGRAM

This fund is used to account for the spay/neuter subvention program. The program provides Ventura County animal owners with financial assistance, using a voucher system, for altering cats and dogs. The program is funded by forfeited spay/neuter deposit monies and animal license fees.

INMATE WELFARE FUND

This fund was established pursuant to Section 4025 of the California Penal Code for the benefit, education, and welfare of inmates confined to County jail. It is funded by proceeds from the jail canteen, jail commissary, vocational programs, and telephone commissions.

REDEVELOPMENT AGENCY PIRU PROJECT

This fund was established to account for administration and revenues and expenditures related to the low-moderate income housing set-aside program for the Piru

COUNTY OF VENTURA
COMBINING BALANCE SHEET
SPECIAL REVENUE FUNDS
JUNE 30, 1998
(In Thousands)

	ROADS	COUNTY LIBRARY	H.U.D. GRANTS	LOAN FUNDS	FISH AND GAME	DOMESTIC VIOLENCE PROGRAM	TRIAL COURT OPERATIONS	FLOOD CONTROL DISTRICT
ASSETS								
Cash and cash equivalents	\$ 8,658	\$ 1,008	\$ 92	\$ 298	\$294	\$90	\$ -	\$36,705
Accounts receivable	3,399	93	122	3	4	1	-	550
Loans receivable	-	-	-	1,495	-	-	-	-
Taxes receivable	-	6	-	-	-	-	-	-
Due from other funds	28	39	-	-	4	2	-	1,166
Inventories and other assets	-	-	-	-	-	-	-	-
Total assets	<u>\$12,085</u>	<u>\$1,146</u>	<u>\$ 214</u>	<u>\$1,796</u>	<u>\$302</u>	<u>\$93</u>	<u>\$ -</u>	<u>\$38,421</u>
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable	\$ 852	\$ 32	\$ -	\$ 116	\$ -	\$25	\$ -	\$ 431
Accrued liabilities	-	281	-	-	-	-	-	-
Due to other funds	1,087	43	214	24	-	-	-	2,248
Deferred revenue	-	-	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-	-	-
Total liabilities	<u>1,939</u>	<u>356</u>	<u>214</u>	<u>140</u>	<u>-</u>	<u>25</u>	<u>-</u>	<u>2,679</u>
Fund balances:								
Reserved:								
Inventories	-	-	-	-	-	-	-	-
Encumbrances	3,221	252	-	-	-	-	-	3,426
Loans receivable	-	-	-	1,495	-	-	-	-
Total reserved	<u>3,221</u>	<u>252</u>	<u>-</u>	<u>1,495</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,426</u>
Unreserved:								
Designated:								
Litigation	-	-	-	-	-	-	-	233
Low/Mod housing	-	-	-	-	-	-	-	-
System enhancement	-	-	-	-	-	-	-	5,109
Future year financing	4,912	-	-	-	198	8	-	3,270
Total designated	4,912	-	-	-	198	8	-	8,612
Undesignated	<u>2,013</u>	<u>538</u>	<u>-</u>	<u>161</u>	<u>104</u>	<u>60</u>	<u>-</u>	<u>23,704</u>
Total unreserved	<u>6,925</u>	<u>538</u>	<u>-</u>	<u>161</u>	<u>302</u>	<u>68</u>	<u>-</u>	<u>32,316</u>
Total fund balances	<u>10,146</u>	<u>790</u>	<u>-</u>	<u>1,656</u>	<u>302</u>	<u>68</u>	<u>-</u>	<u>35,742</u>
Total liabilities and fund balances	<u>\$12,085</u>	<u>\$1,146</u>	<u>\$ 214</u>	<u>\$1,796</u>	<u>\$ 302</u>	<u>\$93</u>	<u>\$ -</u>	<u>\$38,421</u>

COUNTY OF VENTURA
COMBINING BALANCE SHEET
SPECIAL REVENUE FUNDS
JUNE 30, 1998
(In Thousands)

SOLID WASTE	COUNTY SERVICE AREAS	FIRE PROTECTION DISTRICT	WORKFORCE DEVELOPMENT	SPAY/NEUTER PROGRAM	INMATE WELFARE	REDEVELOPMENT AGENCY PIRU PROJECT	TOTAL	
								ASSETS
\$463	\$1,505	\$ 5,223	\$ 298	\$34	\$1,531	\$179	\$56,378	Cash and cash equivalents
-	807	955	209	1	58	2	6,204	Accounts receivable
-	-	-	-	-	-	-	1,495	Loans receivable
-	-	58	-	-	-	-	64	Taxes receivable
1	10	7,470	7	-	9	36	8,772	Due from other funds
-	-	568	45	-	-	-	613	Inventories and other assets
<u>\$464</u>	<u>\$2,322</u>	<u>\$14,274</u>	<u>\$ 559</u>	<u>\$ 35</u>	<u>\$1,598</u>	<u>\$ 217</u>	<u>\$73,526</u>	Total assets
								LIABILITIES AND FUND BALANCES
								Liabilities:
\$ 40	\$ 585	\$ 520	\$209	\$ 1	\$ 41	\$ -	\$ 2,852	Accounts payable
88	-	3,644	299	-	37	-	4,349	Accrued liabilities
7	73	216	43	-	15	41	4,011	Due to other funds
-	756	2,082	-	-	-	-	2,838	Deferred revenue
-	-	561	-	-	-	-	561	Other liabilities
<u>135</u>	<u>1,414</u>	<u>7,023</u>	<u>551</u>	<u>1</u>	<u>93</u>	<u>41</u>	<u>14,611</u>	Total liabilities
								Fund balances:
								Reserved:
-	-	568	-	-	-	-	568	Inventories
284	1	1,874	1	-	53	-	9,112	Encumbrances
-	-	-	-	-	-	-	1,495	Loans receivable
<u>284</u>	<u>1</u>	<u>2,442</u>	<u>1</u>	<u>-</u>	<u>53</u>	<u>-</u>	<u>11,175</u>	Total reserved
								Unreserved:
-	-	-	-	-	-	-	233	Designated:
-	-	-	-	-	-	27	27	Litigation
-	101	1,128	-	-	13	-	6,351	Low/Mod housing
-	348	1,152	-	-	6	-	9,894	System enhancement
-	-	-	-	-	-	-	-	Future year financing
-	449	2,280	-	-	19	27	16,505	Total designated
<u>45</u>	<u>458</u>	<u>2,529</u>	<u>7</u>	<u>34</u>	<u>1,433</u>	<u>149</u>	<u>31,235</u>	Undesignated
<u>45</u>	<u>907</u>	<u>4,809</u>	<u>7</u>	<u>34</u>	<u>1,452</u>	<u>176</u>	<u>47,740</u>	Total unreserved
<u>329</u>	<u>908</u>	<u>7,251</u>	<u>8</u>	<u>34</u>	<u>1,505</u>	<u>176</u>	<u>58,915</u>	Total fund balances
<u>\$464</u>	<u>\$2,322</u>	<u>\$14,274</u>	<u>\$559</u>	<u>\$ 35</u>	<u>\$1,598</u>	<u>\$217</u>	<u>\$73,526</u>	Total liabilities and fund balances

COUNTY OF VENTURA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 1998
(In Thousands)

	ROADS	COUNTY LIBRARY	H.U.D. GRANTS	LOAN FUNDS	FISH AND GAME	DOMESTIC VIOLENCE PROGRAM	TRIAL COURT OPERATIONS	FLOOD CONTROL DISTRICT
Revenues:								
Taxes	\$ 1,664	\$ 4,045	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,714
Licenses and permits	232	-	-	-	-	-	-	84
Fines, forfeitures, and penalties	133	3	-	-	-	-	-	76
Revenues from use of money and property	581	142	-	74	20	5	12	3,476
Aid from other governmental units	11,718	966	3,361	562	-	-	4,829	3,568
Charges for current services	-	242	-	-	23	-	-	10,586
Other	20	563	-	63	-	135	-	72
Total revenues	14,348	5,961	3,361	699	43	140	4,841	25,576
Expenditures:								
Current:								
Public protection	-	-	-	-	87	-	4,878	23,143
Public ways and facilities	16,155	-	-	-	-	-	-	-
Public assistance	-	-	3,361	101	-	136	-	-
Education	-	5,647	-	-	-	-	-	-
Capital outlay	7	-	-	-	-	-	-	14
Total expenditures	16,162	5,647	3,361	101	87	136	4,878	23,157
Excess (deficiency) of revenues over expenditures	(1,814)	314	-	598	(44)	4	(37)	2,419
Other financing sources (uses):								
Operating transfers in	2	5	-	-	-	-	-	-
Operating transfers out	-	(286)	-	-	-	-	-	-
Total other financing sources (uses) - net	2	(281)	-	-	-	-	-	-
Excess (deficiency) of revenues and other sources over expenditures and other uses	(1,812)	33	-	598	(44)	4	(37)	2,419
Fund balances, July 1, 1997	12,069	757	-	1,058	346	64	37	33,488
Change in reserve for inventories	-	-	-	-	-	-	-	-
Residual equity transfers to other funds	(111)	-	-	-	-	-	-	(165)
Fund balances, June 30, 1998	\$ 10,146	\$ 790	\$ -	\$ 1,656	\$ 302	\$ 68	\$ -	\$ 35,742

COUNTY OF VENTURA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 1998
(In Thousands)

SOLID WASTE	COUNTY SERVICE AREAS	FIRE PROTECTION DISTRICT	WORKFORCE DEVELOPMENT	SPAY/NEUTER PROGRAM	INMATE WELFARE	REDEVELOPMENT AGENCY PIRU PROJECT	TOTAL	
\$ -	\$ 458	\$44,882	\$ -	\$ -	\$ -	\$ -	\$ 58,763	Revenues:
304	-	457	-	78	-	-	1,155	Taxes
-	1	83	-	-	-	-	296	Licenses and permits
5	69	536	9	3	96	9	5,037	Fines, forfeitures, and penalties
619	1,531	5,158	10,488	-	-	-	42,800	Revenues from use of money and property
1,423	640	229	-	-	-	-	13,143	Aid from other governmental units
67	85	2,677	8	35	1,749	-	5,474	Charges for current services
2,418	2,784	54,022	10,505	116	1,845	9	126,668	Other
								Total revenues
2,089	1,322	48,942	-	83	1,333	-	81,877	Expenditures:
-	-	-	-	-	-	44	16,199	Current:
-	-	-	10,455	-	-	-	14,053	Public protection
-	-	-	-	-	-	-	5,647	Public ways and facilities
-	1,511	765	50	-	-	-	2,347	Public assistance
2,089	2,833	49,707	10,505	83	1,333	44	120,123	Education
329	(49)	4,315	-	33	512	(35)	6,545	Capital outlay
-	-	-	-	-	-	59	66	Total expenditures
-	-	(714)	-	(53)	(489)	(2)	(1,544)	Excess (deficiency) of revenues over expenditures
-	-	(714)	-	(53)	(489)	57	(1,478)	Other financing sources (uses):
329	(49)	3,601	-	(20)	23	22	5,067	Operating transfers in
-	957	3,586	8	54	1,582	154	54,160	Operating transfers out
-	-	64	-	-	-	-	64	Total other financing sources (uses) - net
-	-	-	-	-	(100)	-	(376)	Excess (deficiency) of revenues and other sources over expenditures and other uses
\$ 329	\$ 908	\$ 7,251	\$ 8	\$ 34	\$ 1,505	\$ 176	\$ 58,915	Fund balances, July 1, 1997
								Change in reserve for inventories
								Residual equity transfers to other funds
								Fund balances, June 30, 1998

COUNTY OF VENTURA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL ON BUDGETARY BASIS
SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 1998
(In Thousands)

	TOTAL SPECIAL REVENUE FUNDS		
	BUDGET	ACTUAL ON BUDGETARY BASIS	VARIANCE - FAVORABLE (UNFAVORABLE)
Revenues:			
Taxes	\$ 55,473	\$ 58,763	\$ 3,290
Licenses and permits	1,101	1,155	54
Fines, forfeitures, and penalties	234	296	62
Revenues from use of money and property	2,387	5,037	2,650
Aid from other governmental units	83,000	42,800	(40,200)
Charges for current services	11,840	13,143	1,303
Other	<u>3,420</u>	<u>5,474</u>	<u>2,054</u>
Total revenues	<u>157,455</u>	<u>126,668</u>	<u>(30,787)</u>
Expenditures:			
Current:			
Public protection:			
Salaries and benefits	55,043	46,755	8,288
Services and supplies	55,705	34,323	21,382
Other charges	2,243	797	1,446
Contingencies	<u>6,340</u>	<u>-</u>	<u>6,340</u>
Total public protection	<u>119,331</u>	<u>81,875</u>	<u>37,456</u>
Public ways and facilities:			
Services and supplies	21,430	16,140	5,290
Other charges	904	59	845
Contingencies	<u>3,509</u>	<u>-</u>	<u>3,509</u>
Total public ways and facilities	<u>25,843</u>	<u>16,199</u>	<u>9,644</u>
Public assistance:			
Salaries and benefits	3,589	3,242	347
Services and supplies	24,689	10,784	13,905
Contingencies	<u>20</u>	<u>-</u>	<u>20</u>
Total public assistance	<u>28,298</u>	<u>14,026</u>	<u>14,272</u>
Education:			
Salaries and benefits	3,706	3,619	87
Services and supplies	2,360	1,930	430
Other charges	108	99	9
Contingencies	<u>392</u>	<u>-</u>	<u>392</u>
Total education	<u>6,566</u>	<u>5,648</u>	<u>918</u>

(CONTINUED)

COUNTY OF VENTURA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL ON BUDGETARY BASIS
SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 1998
(In Thousands)
(CONTINUED)

	TOTAL SPECIAL REVENUE FUNDS		
	BUDGET	ACTUAL ON BUDGETARY BASIS	VARIANCE - FAVORABLE (UNFAVORABLE)
Capital outlay - Equipment	<u>\$ 12,320</u>	<u>\$ 2,347</u>	<u>\$ 9,973</u>
Total expenditures	<u>192,358</u>	<u>120,095</u>	<u>72,263</u>
Excess (deficiency) of revenues over expenditures	<u>(34,903)</u>	<u>6,573</u>	<u>41,476</u>
Other financing sources (uses):			
Proceeds from loan	27	-	(27)
Operating transfers in	143	66	(77)
Operating transfers out	<u>(2,130)</u>	<u>(1,544)</u>	<u>586</u>
Total other financing sources (uses) - net	<u>(1,960)</u>	<u>(1,478)</u>	<u>482</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(36,863)	5,095	41,958
Fund balances, July 1, 1997	54,160	54,160	-
Residual equity transfers to other funds	<u>(432)</u>	<u>(376)</u>	<u>56</u>
Fund balances, June 30, 1998	<u>\$ 16,865</u>	<u>\$ 58,879</u>	<u>\$ 42,014</u>

(CONTINUED)

COUNTY OF VENTURA
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL ON BUDGETARY BASIS
 SPECIAL REVENUE FUNDS
 YEAR ENDED JUNE 30, 1998
 (In Thousands)
 (CONTINUED)

	ROADS		
	BUDGET	ACTUAL ON BUDGETARY BASIS	VARIANCE - FAVORABLE (UNFAVORABLE)
Revenues:			
Taxes	\$ 1,148	\$ 1,664	\$ 516
Licenses and permits	125	232	107
Fines, forfeitures, and penalties	100	133	33
Revenues from use of money and property	225	581	356
Aid from other governmental units	16,868	11,718	(5,150)
Charges for current services	-	-	-
Other	<u>180</u>	<u>20</u>	<u>(160)</u>
Total revenues	<u>18,646</u>	<u>14,348</u>	<u>(4,298)</u>
Expenditures:			
Current - Public ways and facilities:			
Services and supplies	21,386	16,096	5,290
Other charges	904	59	845
Contingencies	<u>3,338</u>	<u>-</u>	<u>3,338</u>
Total public ways and facilities	25,628	16,155	9,473
Capital outlay - Equipment	<u>24</u>	<u>7</u>	<u>17</u>
Total expenditures	<u>25,652</u>	<u>16,162</u>	<u>9,490</u>
Deficiency of revenues over expenditures	(7,006)	(1,814)	5,192
Other financing sources:			
Operating transfers in	<u>2</u>	<u>2</u>	<u>-</u>
Deficiency of revenues and other financing sources over expenditures	(7,004)	(1,812)	5,192
Fund balance, July 1, 1997	12,069	12,069	-
Residual equity transfers to other funds	<u>(151)</u>	<u>(111)</u>	<u>40</u>
Fund balance, June 30, 1998	<u>\$ 4,914</u>	<u>\$10,146</u>	<u>\$5,232</u>

(CONTINUED)

COUNTY OF VENTURA
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL ON BUDGETARY BASIS
 SPECIAL REVENUE FUNDS
 YEAR ENDED JUNE 30, 1998
 (In Thousands)
 (CONTINUED)

	COUNTY LIBRARY		
	BUDGET	ACTUAL ON BUDGETARY BASIS	VARIANCE - FAVORABLE (UNFAVORABLE)
Revenues:			
Taxes	\$ 3,950	\$ 4,045	\$ 95
Fines, forfeitures, and penalties	1	3	2
Revenues from use of money and property	117	142	25
Aid from other governmental units	901	966	65
Charges for current services	215	242	27
Other	<u>781</u>	<u>563</u>	<u>(218)</u>
Total revenues	<u>5,965</u>	<u>5,961</u>	<u>(4)</u>
Expenditures:			
Current - Education:			
Salaries and benefits	3,706	3,619	87
Services and supplies	2,360	1,930	430
Other charges	108	99	9
Contingencies	<u>392</u>	<u>-</u>	<u>392</u>
Total expenditures	<u>6,566</u>	<u>5,648</u>	<u>918</u>
Excess (deficiency) of revenues over expenditures	<u>(601)</u>	<u>313</u>	<u>914</u>
Other financing sources (uses):			
Operating transfers in	5	5	-
Operating transfers out	<u>(286)</u>	<u>(286)</u>	<u>-</u>
Total financing sources (uses) - net	<u>(281)</u>	<u>(281)</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(882)	32	914
Fund balance, July 1, 1997	<u>757</u>	<u>757</u>	<u>-</u>
Fund balance (deficit), June 30, 1998	<u>\$ (125)</u>	<u>\$ 789</u>	<u>\$ 914</u>

(CONTINUED)

COUNTY OF VENTURA
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL ON BUDGETARY BASIS
 SPECIAL REVENUE FUNDS
 YEAR ENDED JUNE 30, 1998
 (In Thousands)
 (CONTINUED)

	H.U.D. GRANTS		
	BUDGET	ACTUAL ON BUDGETARY BASIS	VARIANCE - FAVORABLE (UNFAVORABLE)
Revenues - Aid from other governmental units	<u>\$11,722</u>	<u>\$3,361</u>	<u>\$ (8,361)</u>
Expenditures:			
Current - Public assistance:			
Services and supplies	<u>11,722</u>	<u>3,361</u>	<u>8,361</u>
Total expenditures	<u>11,722</u>	<u>3,361</u>	<u>8,361</u>
Excess of revenues over expenditures	-	-	-
Fund balance, July 1, 1997	-	-	-
Fund balance, June 30, 1998	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(CONTINUED)

COUNTY OF VENTURA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL ON BUDGETARY BASIS
SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 1998
(In Thousands)
(CONTINUED)

	LOAN FUNDS		
	BUDGET	ACTUAL ON BUDGETARY BASIS	VARIANCE - FAVORABLE (UNFAVORABLE)
Revenues:			
Revenues from use of money and property	\$ 69	\$ 74	\$ 5
Aid from other governmental units	1,718	562	(1,156)
Other	<u>196</u>	<u>63</u>	<u>(133)</u>
Total revenues	<u>1,983</u>	<u>699</u>	<u>(1,284)</u>
Expenditures:			
Current - Public assistance:			
Services and supplies	<u>858</u>	<u>101</u>	<u>757</u>
Total public assistance	858	101	757
Capital Outlay - Equipment	<u>3</u>	<u>-</u>	<u>3</u>
Total expenditures	<u>861</u>	<u>101</u>	<u>760</u>
Excess of revenues over expenditures	1,122	598	(524)
Fund balance, July 1, 1997	<u>1,058</u>	<u>1,058</u>	<u>-</u>
Fund balance, June 30, 1998	<u>\$2,180</u>	<u>\$1,656</u>	<u>\$ (524)</u>

(CONTINUED)

COUNTY OF VENTURA
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL ON BUDGETARY BASIS
 SPECIAL REVENUE FUNDS
 YEAR ENDED JUNE 30, 1998
 (In Thousands)
 (CONTINUED)

	FISH AND GAME		
	BUDGET	ACTUAL ON BUDGETARY BASIS	VARIANCE - FAVORABLE (UNFAVORABLE)
Revenues:			
Revenues from use of money and property	\$ 23	\$ 20	\$ (3)
Charges for current services	<u>25</u>	<u>23</u>	<u>(2)</u>
Total revenues	<u>48</u>	<u>43</u>	<u>(5)</u>
Expenditures:			
Current - Public protection:			
Services and supplies	93	56	37
Other charges	<u>103</u>	<u>31</u>	<u>72</u>
Total expenditures	<u>196</u>	<u>87</u>	<u>109</u>
Deficiency of revenues over expenditures	(148)	(44)	104
Fund balance, July 1, 1997	<u>346</u>	<u>346</u>	<u>-</u>
Fund balance, June 30, 1998	<u>\$198</u>	<u>\$302</u>	<u>\$ 104</u>

(CONTINUED)

COUNTY OF VENTURA
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL ON BUDGETARY BASIS
 SPECIAL REVENUE FUNDS
 YEAR ENDED JUNE 30, 1998
 (In Thousands)
 (CONTINUED)

	DOMESTIC VIOLENCE PROGRAM		
	BUDGET	ACTUAL ON BUDGETARY BASIS	VARIANCE - FAVORABLE (UNFAVORABLE)
Revenues:			
Revenues from use of money and property	\$ 1	\$ 5	\$ 4
Other	<u>119</u>	<u>135</u>	<u>16</u>
Total revenues	<u>120</u>	<u>140</u>	<u>20</u>
Expenditures:			
Current - Public assistance:			
Services and supplies	144	136	8
Contingencies	<u>20</u>	<u>-</u>	<u>20</u>
Total expenditures	<u>164</u>	<u>136</u>	<u>28</u>
Excess (deficiency) of revenues over expenditures	(44)	4	48
Fund balance, July 1, 1997	<u>64</u>	<u>64</u>	<u>-</u>
Fund balance, June 30, 1998	<u>\$ 20</u>	<u>\$ 68</u>	<u>\$ 48</u>

(CONTINUED)

COUNTY OF VENTURA
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL ON BUDGETARY BASIS
 SPECIAL REVENUE FUNDS
 YEAR ENDED JUNE 30, 1998
 (In Thousands)
 (CONTINUED)

	TRIAL COURT OPERATIONS		
	BUDGET	ACTUAL ON BUDGETARY BASIS	VARIANCE - FAVORABLE (UNFAVORABLE)
Revenues:			
Revenues from use of money and property	\$ 85	\$ 12	\$ (73)
Aid from other governmental units	<u>17,905</u>	<u>4,829</u>	<u>(13,076)</u>
Total revenues	<u>17,990</u>	<u>4,841</u>	<u>(13,149)</u>
Expenditures:			
Current - Public protection:			
Salaries and benefits	10,839	2,677	8,162
Services and supplies	7,151	2,201	4,950
Contingencies	<u>37</u>	<u>-</u>	<u>37</u>
Total expenditures	<u>18,027</u>	<u>4,878</u>	<u>13,149</u>
Deficiency of revenues over expenditures	(37)	(37)	-
Fund balance, July 1, 1997	<u>37</u>	<u>37</u>	<u>-</u>
Fund balance, June 30, 1998	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(CONTINUED)

COUNTY OF VENTURA
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL ON BUDGETARY BASIS
 SPECIAL REVENUE FUNDS
 YEAR ENDED JUNE 30, 1998
 (In Thousands)
 (CONTINUED)

	FLOOD CONTROL DISTRICT		
	BUDGET	ACTUAL ON BUDGETARY BASIS	VARIANCE - FAVORABLE (UNFAVORABLE)
Revenues:			
Taxes	\$ 7,336	\$ 7,714	\$ 378
Licenses and permits	86	84	(2)
Fines, forfeitures, and penalties	67	76	9
Revenues from use of money and property	1,415	3,476	2,061
Aid from other governmental units	1,495	3,568	2,073
Charges for current services	9,449	10,586	1,137
Other	-	72	72
Total revenues	<u>19,848</u>	<u>25,576</u>	<u>5,728</u>
Expenditures:			
Current - Public protection:			
Services and supplies	37,550	22,661	14,889
Other charges	1,855	482	1,373
Contingencies	<u>4,985</u>	-	<u>4,985</u>
Total public protection	44,390	23,143	21,247
Capital outlay - Equipment	<u>168</u>	<u>14</u>	<u>154</u>
Total expenditures	<u>44,558</u>	<u>23,157</u>	<u>21,401</u>
Excess (deficiency) of revenues over expenditures	(24,710)	2,419	27,129
Other financing sources (uses):			
Operating transfer in	75	-	(75)
Operating transfers out	<u>(75)</u>	-	<u>75</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(24,710)	2,419	27,129
Fund balance, July 1, 1997	33,488	33,488	-
Residual equity transfers to other funds	<u>(166)</u>	<u>(165)</u>	<u>1</u>
Fund balance, June 30, 1998	<u>\$ 8,612</u>	<u>\$35,742</u>	<u>\$27,130</u>

(CONTINUED)

COUNTY OF VENTURA
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL ON BUDGETARY BASIS
 SPECIAL REVENUE FUNDS
 YEAR ENDED JUNE 30, 1998
 (In Thousands)
 (CONTINUED)

	SOLID WASTE		
	BUDGET	ACTUAL ON BUDGETARY BASIS	VARIANCE - FAVORABLE (UNFAVORABLE)
Revenues:			
Licenses and permits	\$ 315	\$ 304	\$ (11)
Revenues from use of money and property	-	5	5
Aid from other governmental units	1,601	619	(982)
Charges for current services	1,209	1,423	214
Other	<u>8</u>	<u>67</u>	<u>59</u>
Total revenues	<u>3,133</u>	<u>2,418</u>	<u>(715)</u>
Expenditures:			
Current - Public protection:			
Salaries and benefits	1,148	1,092	56
Services and supplies	1,989	1,005	984
Contingencies	<u>50</u>	<u>-</u>	<u>50</u>
Total expenditures	<u>3,187</u>	<u>2,097</u>	<u>1,090</u>
Excess (deficiency) of revenues over expenditures	(54)	321	375
Fund balance, July 1, 1997	\$ -	\$ -	-
Fund balance (deficit), June 30, 1998	<u>\$ (54)</u>	<u>\$ 321</u>	<u>\$ 375</u>

(CONTINUED)

COUNTY OF VENTURA
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL ON BUDGETARY BASIS
 SPECIAL REVENUE FUNDS
 YEAR ENDED JUNE 30, 1998
 (In Thousands)
 (CONTINUED)

	COUNTY SERVICE AREAS		
	BUDGET	ACTUAL ON BUDGETARY BASIS	VARIANCE - FAVORABLE (UNFAVORABLE)
Revenues:			
Taxes	\$ 441	\$ 458	\$ 17
Fines, forfeitures, and penalties	-	1	1
Revenues from use of money and property	42	69	27
Aid from other governmental units	9,149	1,531	(7,618)
Charges for current services	665	640	(25)
Other	-	85	85
Total revenues	<u>10,297</u>	<u>2,784</u>	<u>(7,513)</u>
Expenditures:			
Current - Public protection:			
Services and supplies	1,399	1,264	135
Other charges	59	58	1
Contingencies	<u>174</u>	-	<u>174</u>
Total public protection	1,632	1,322	310
Capital outlay - Equipment	<u>9,222</u>	<u>1,511</u>	<u>7,711</u>
Total expenditures	<u>10,854</u>	<u>2,833</u>	<u>8,021</u>
Deficiency of revenues over expenditures	(557)	(49)	508
Other financing sources:			
Proceeds from loans	<u>27</u>	-	<u>(27)</u>
Deficiency of revenues and other financing sources over expenditures	(530)	(49)	481
Fund balance, July 1, 1997	<u>957</u>	<u>957</u>	-
Fund balance, June 30, 1998	<u>\$ 427</u>	<u>\$ 908</u>	<u>\$ 481</u>

(CONTINUED)

COUNTY OF VENTURA
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL ON BUDGETARY BASIS
 SPECIAL REVENUE FUNDS
 YEAR ENDED JUNE 30, 1998
 (In Thousands)
 (CONTINUED)

	FIRE PROTECTION DISTRICT		
	BUDGET	ACTUAL ON BUDGETARY BASIS	VARIANCE - FAVORABLE (UNFAVORABLE)
Revenues:			
Taxes	\$ 42,598	\$ 44,882	\$ 2,284
Licenses and permits	500	457	(43)
Fines, forfeitures, and penalties	66	83	17
Revenues from use of money and property	350	536	186
Aid from other governmental units	6,309	5,158	(1,151)
Charges for current services	277	229	(48)
Other	<u>605</u>	<u>2,677</u>	<u>2,072</u>
Total revenues	<u>50,705</u>	<u>54,022</u>	<u>3,317</u>
Expenditures:			
Current - Public protection:			
Salaries and benefits	42,556	42,556	-
Services and supplies	6,274	6,153	121
Other charges	226	226	-
Contingencies	<u>829</u>	<u>-</u>	<u>829</u>
Total public protection	49,885	48,935	950
Capital outlay - Equipment	<u>2,625</u>	<u>765</u>	<u>1,860</u>
Total expenditures	<u>52,510</u>	<u>49,700</u>	<u>2,810</u>
Excess (deficiency) of revenues over expenditures	(1,805)	4,322	6,127
Other financing uses:			
Operating transfers out	<u>(714)</u>	<u>(714)</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other financing uses	(2,519)	3,608	6,127
	<u>3,586</u>	<u>3,586</u>	<u>-</u>
Fund balance, July 1, 1997			
	<u>\$ 1,067</u>	<u>\$ 7,194</u>	<u>\$6,127</u>
Fund balance, June 30, 1998			

(CONTINUED)

COUNTY OF VENTURA
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL ON BUDGETARY BASIS
 SPECIAL REVENUE FUNDS
 YEAR ENDED JUNE 30, 1998
 (In Thousands)
 (CONTINUED)

	WORKFORCE DEVELOPMENT		
	BUDGET	ACTUAL ON BUDGETARY BASIS	VARIANCE - FAVORABLE (UNFAVORABLE)
Revenues:			
Revenues from use of money and property	\$ -	\$ 9	\$ 9
Aid from other governmental units	15,332	10,488	(4,844)
Other	<u>-</u>	<u>8</u>	<u>8</u>
Total revenues	<u>15,332</u>	<u>10,505</u>	<u>(4,827)</u>
Expenditures:			
Current - Public assistance:			
Salaries and benefits	3,589	3,242	347
Services and supplies	<u>11,965</u>	<u>7,186</u>	<u>4,779</u>
Total public assistance	<u>15,554</u>	<u>10,428</u>	<u>5,126</u>
Capital outlay - Equipment	<u>171</u>	<u>50</u>	<u>121</u>
Total expenditures	<u>15,725</u>	<u>10,478</u>	<u>5,247</u>
Excess (deficiency) of revenues over expenditures	(393)	27	420
Fund balance, July 1, 1997	<u>8</u>	<u>8</u>	<u>-</u>
Fund balance (deficit), June 30, 1998	<u>\$ (385)</u>	<u>\$ 35</u>	<u>\$ 420</u>

(CONTINUED)

COUNTY OF VENTURA
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL ON BUDGETARY BASIS
 SPECIAL REVENUE FUNDS
 YEAR ENDED JUNE 30, 1998
 (In Thousands)
 (CONTINUED)

	SPAY/NEUTER PROGRAM		
	BUDGET	ACTUAL ON BUDGETARY BASIS	VARIANCE - FAVORABLE (UNFAVORABLE)
Revenues:			
Licenses and permits	\$ 75	\$ 78	\$ 3
Revenues from use of money and property	3	3	-
Other	<u>32</u>	<u>35</u>	<u>3</u>
Total revenues	<u>110</u>	<u>116</u>	<u>6</u>
Expenditures:			
Current - Public protection:			
Services and supplies	107	83	24
Contingencies	<u>4</u>	<u>-</u>	<u>4</u>
Total expenditures	<u>111</u>	<u>83</u>	<u>28</u>
Excess (deficiency) of revenues over expenditures	(1)	33	34
Other financing uses:			
Operating transfers out	<u>(53)</u>	<u>(53)</u>	<u>-</u>
Deficiency of revenues over expenditures and other financing uses	(54)	(20)	34
Fund balance, July 1, 1997	<u>54</u>	<u>54</u>	<u>-</u>
Fund balance, June 30, 1998	<u>\$ -</u>	<u>\$ 34</u>	<u>\$ 34</u>

(CONTINUED)

COUNTY OF VENTURA
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL ON BUDGETARY BASIS
 SPECIAL REVENUE FUNDS
 YEAR ENDED JUNE 30, 1998
 (In Thousands)
 (CONTINUED)

	INMATE WELFARE		
	BUDGET	ACTUAL ON BUDGETARY BASIS	VARIANCE - FAVORABLE (UNFAVORABLE)
Revenues:			
Revenues from use of money and property	\$ 51	\$ 96	\$ 45
Other	<u>1,499</u>	<u>1,749</u>	<u>250</u>
Total revenues	<u>1,550</u>	<u>1,845</u>	<u>295</u>
Expenditures:			
Current - Public protection:			
Salaries and benefits	500	430	70
Services and supplies	1,142	900	242
Contingencies	<u>261</u>	<u>-</u>	<u>261</u>
Total public protection	1,903	1,330	573
Capital outlay - Equipment	<u>107</u>	<u>-</u>	<u>107</u>
Total expenditures	<u>2,010</u>	<u>1,330</u>	<u>680</u>
Excess (deficiency) of revenues over expenditures	<u>(460)</u>	<u>515</u>	<u>975</u>
Other financing uses:			
Operating transfers out	<u>(1,000)</u>	<u>(489)</u>	<u>511</u>
Excess (deficiency) of revenues over expenditures and other financing uses	(1,460)	26	1,486
Fund balance, July 1, 1997	1,582	1,582	-
Residual equity transfer to other funds	<u>(115)</u>	<u>(100)</u>	<u>15</u>
Fund balance, June 30, 1998	<u>\$ 7</u>	<u>\$ 1,508</u>	<u>\$1,501</u>

(CONTINUED)

COUNTY OF VENTURA
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL ON BUDGETARY BASIS
 SPECIAL REVENUE FUNDS
 YEAR ENDED JUNE 30, 1998
 (In Thousands)
 (CONTINUED)

	REDEVELOPMENT AGENCY PIRU PROJECT		
	BUDGET	ACTUAL ON BUDGETARY BASIS	VARIANCE - FAVORABLE (UNFAVORABLE)
Revenues:			
Revenues from use of money and property	<u>\$ 6</u>	<u>\$ 9</u>	<u>\$ 3</u>
Total revenues	<u>6</u>	<u>9</u>	<u>3</u>
Expenditures:			
Current - Public ways and facilities:			
Services and supplies	44	44	-
Contingencies	<u>171</u>	<u>-</u>	<u>171</u>
Total expenditures	<u>215</u>	<u>44</u>	<u>171</u>
Deficiency of revenues over expenditures	<u>(209)</u>	<u>(35)</u>	<u>174</u>
Other financing sources (uses):			
Operating transfer in	61	59	(2)
Operating transfers out	<u>(2)</u>	<u>(2)</u>	<u>-</u>
Total financing sources (uses) - net	<u>59</u>	<u>57</u>	<u>(2)</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(150)	22	172
Fund balance, July 1, 1997	<u>154</u>	<u>154</u>	<u>-</u>
Fund balance, June 30, 1998	<u>\$ 4</u>	<u>\$ 176</u>	<u>\$ 172</u>

Debt Service Funds

DEBT SERVICE FUNDS

PUBLIC FACILITIES CORPORATION

This fund is used to accumulate resources for the payment of principal and interest on the lease revenue bond issues related to the construction of the County Hall of Justice and Administration Buildings at the Government Center. This fund is also used to accumulate resources for the payment of principal and interest on the issues of certificates of participation for the purchase of equipment and the construction of several County capital project improvements. This fund receives transfers primarily from the General Fund based on lease-purchase agreements.

OTHER PUBLIC AUTHORITIES

These funds account for the library activities of the Simi Valley Civic Center Authority and the Camarillo Library Authority. These funds are used to accumulate resources for the payment of principal and interest on the lease revenue bond issues related to the construction of the Simi Valley Library and the Camarillo Library. These funds receive transfers from the County Library Special Revenue Fund based on lease-purchase agreements.

REDEVELOPMENT AGENCY PIRU PROJECT

This fund is used to accumulate resources for the payment of principal and interest related to the activities of the Piru Area Redevelopment Project Plan. The plan's purpose is to respond to damage to Piru's town center and public infrastructure through a project of community reinvestment.

FLOOD CONTROL DISTRICT

This fund is used to accumulate resources for the payment of principal and interest on the general obligation bonds issued by the Ventura County Flood Control District. Revenues are received primarily through ad valorem taxes on property.

PENSION OBLIGATION BONDS

The bonds were issued to provide funds to allow the County to fund its unfunded actuarial liability with respect to retirement benefits for County employees.

COUNTY OF VENTURA
COMBINING BALANCE SHEET
DEBT SERVICE FUNDS
JUNE 30, 1998
(In Thousands)

	PUBLIC FACILITIES CORPORATION	OTHER PUBLIC AUTHORITIES	REDEVELOPMENT AGENCY PIRU PROJECT	FLOOD CONTROL DISTRICT	PENSION OBLIGATION BONDS	TOTAL
<u>ASSETS</u>						
Cash and cash equivalents	\$ 625	\$117	\$76	\$578	\$123	\$ 1,519
Investments	12,841	447	-	-	-	13,288
Accounts receivable	36	21	1	9	739	806
Due from other funds	-	-	-	2	3	5
Total assets	<u>\$13,502</u>	<u>\$585</u>	<u>\$77</u>	<u>\$589</u>	<u>\$865</u>	<u>\$15,618</u>
<u>LIABILITIES AND FUND BALANCES</u>						
Liabilities:						
Accrued liabilities - Interest payable	\$ 539	\$ 13	\$ -	\$ 48	\$ -	\$ 600
Due to other funds	-	-	35	-	298	333
Total liabilities	<u>539</u>	<u>13</u>	<u>35</u>	<u>48</u>	<u>298</u>	<u>933</u>
Fund balances:						
Reserved - Debt service	8,942	229	-	462	-	9,633
Unreserved - Undesignated	<u>4,021</u>	<u>343</u>	<u>42</u>	<u>79</u>	<u>567</u>	<u>5,052</u>
Total fund balances	<u>12,963</u>	<u>572</u>	<u>42</u>	<u>541</u>	<u>567</u>	<u>14,685</u>
Total liabilities and fund balances	<u>\$13,502</u>	<u>\$585</u>	<u>\$77</u>	<u>\$589</u>	<u>\$865</u>	<u>\$15,618</u>

COUNTY OF VENTURA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES
 DEBT SERVICE FUNDS
 YEAR ENDED JUNE 30, 1998
 (In Thousands)

	PUBLIC FACILITIES CORPORATION	OTHER PUBLIC AUTHORITIES	REDEVELOPMENT AGENCY PIRU PROJECT	FLOOD CONTROL DISTRICT	PENSION OBLIGATION BONDS	TOTAL
Revenues:						
Taxes	\$ -	\$ -	\$ 100	\$1,584	\$ -	\$ 1,684
Revenues from use of money and property	950	33	3	52	97	1,135
Aid from other governmental units	-	-	10	49	-	59
Other	-	-	-	-	18,719	18,719
Total revenues	<u>950</u>	<u>33</u>	<u>113</u>	<u>1,685</u>	<u>18,816</u>	<u>21,597</u>
Expenditures:						
Current:						
General government	5	6	18	-	-	29
Debt service:						
Principal retirement	9,032	215	-	1,440	6,520	17,207
Interest and fiscal charges	<u>3,408</u>	<u>61</u>	<u>-</u>	<u>272</u>	<u>9,246</u>	<u>12,987</u>
Total expenditures	<u>12,445</u>	<u>282</u>	<u>18</u>	<u>1,712</u>	<u>15,766</u>	<u>30,223</u>
Excess (deficiency) of revenues over expenditures	<u>(11,495)</u>	<u>(249)</u>	<u>95</u>	<u>(27)</u>	<u>3,050</u>	<u>(8,626)</u>
Other financing sources (uses):						
Operating transfers in	18,542	286	-	-	-	18,828
Operating transfers out	<u>(6,454)</u>	<u>-</u>	<u>(57)</u>	<u>-</u>	<u>(2,598)</u>	<u>(9,109)</u>
Total other financing sources (uses) - net	<u>12,088</u>	<u>286</u>	<u>(57)</u>	<u>-</u>	<u>(2,598)</u>	<u>9,719</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	593	37	38	(27)	452	1,093
Fund balances, July 1, 1997	<u>12,370</u>	<u>535</u>	<u>4</u>	<u>568</u>	<u>115</u>	<u>13,592</u>
Fund balances, June 30, 1998	<u>\$12,963</u>	<u>\$ 572</u>	<u>\$ 42</u>	<u>\$ 541</u>	<u>\$ 567</u>	<u>\$14,685</u>

COUNTY OF VENTURA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL ON BUDGETARY BASIS
CERTAIN BUDGETED DEBT SERVICE FUNDS
YEAR ENDED JUNE 30, 1998
(In Thousands)

	REDEVELOPMENT AGENCY PIRU PROJECT			FLOOD CONTROL DISTRICT			PENSION OBLIGATION BONDS			TOTAL DEBT SERVICE FUNDS		
	Budget	Actual on Budgetary Basis	Variance Favorable (Unfavorable)	Budget	Actual on Budgetary Basis	Variance Favorable (Unfavorable)	Budget	Actual on Budgetary Basis	Variance Favorable (Unfavorable)	Budget	Actual on Budgetary Basis	Variance Favorable (Unfavorable)
Revenues:												
Taxes	\$100	\$100	\$ -	\$1,550	\$1,584	\$ 34	\$ -	\$ -	\$ -	\$ 1,650	\$ 1,684	\$ 34
Revenues from use of money and property	2	3	1	36	52	16	-	97	97	38	152	114
Aid from other governmental units	10	10	-	20	49	29	-	-	-	30	59	29
Other	-	-	-	-	-	-	18,364	18,719	355	18,364	18,719	355
Total revenues	<u>112</u>	<u>113</u>	<u>1</u>	<u>1,606</u>	<u>1,685</u>	<u>79</u>	<u>18,364</u>	<u>18,816</u>	<u>452</u>	<u>20,082</u>	<u>20,614</u>	<u>532</u>
Expenditures:												
Current:												
General government	55	18	37	-	-	-	115	-	115	170	18	152
Debt service:												
Principal retirement	-	-	-	1,440	1,440	-	6,520	6,520	-	7,960	7,960	-
Interest and fiscal charges	-	-	-	272	272	-	9,246	9,246	-	9,518	9,518	-
Total expenditures	<u>55</u>	<u>18</u>	<u>37</u>	<u>1,712</u>	<u>1,712</u>	<u>-</u>	<u>15,881</u>	<u>15,766</u>	<u>115</u>	<u>17,648</u>	<u>17,496</u>	<u>152</u>
Excess (deficiency) of revenues over expenditures	<u>57</u>	<u>95</u>	<u>38</u>	<u>(106)</u>	<u>(27)</u>	<u>79</u>	<u>2,483</u>	<u>3,050</u>	<u>567</u>	<u>2,434</u>	<u>3,118</u>	<u>684</u>
Other financing uses:												
Operating transfers out	(61)	(57)	4	-	-	-	(2,598)	(2,598)	-	(2,659)	(2,655)	4
Total other financing uses	<u>(61)</u>	<u>(57)</u>	<u>4</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,598)</u>	<u>(2,598)</u>	<u>-</u>	<u>(2,659)</u>	<u>(2,655)</u>	<u>4</u>
Excess (deficiency) of revenues over expenditures and other financing uses	<u>(4)</u>	<u>38</u>	<u>42</u>	<u>(106)</u>	<u>(27)</u>	<u>79</u>	<u>(115)</u>	<u>452</u>	<u>567</u>	<u>(225)</u>	<u>463</u>	<u>688</u>
Fund balance, July 1, 1997	<u>4</u>	<u>4</u>	<u>-</u>	<u>568</u>	<u>568</u>	<u>-</u>	<u>115</u>	<u>115</u>	<u>-</u>	<u>687</u>	<u>687</u>	<u>-</u>
Fund balance, June 30, 1998	<u>\$ -</u>	<u>\$ 42</u>	<u>\$ 42</u>	<u>\$ 462</u>	<u>\$ 541</u>	<u>\$ 79</u>	<u>\$ -</u>	<u>\$ 567</u>	<u>\$ 567</u>	<u>\$ 462</u>	<u>\$ 1,150</u>	<u>\$ 688</u>

Capital Projects Funds

CAPITAL PROJECTS FUND

PUBLIC FACILITIES CORPORATION

This fund is used to account for the costs of constructing and acquiring various buildings, facilities, and equipment for the County of Ventura. The cost of these projects is financed by the issuance of Certificates of Participation in 1987 and 1993 through the Public Facilities Corporation.

COUNTY OF VENTURA
BALANCE SHEET
CAPITAL PROJECTS FUND
JUNE 30, 1998
(In Thousands)

	PUBLIC FACILITIES CORPORATION
<u>ASSETS</u>	
Cash and cash equivalents	\$ 2,250
Investments	3,414
Accounts receivable	<u>952</u>
Total assets	<u>\$ 6,616</u>
<u>LIABILITIES AND FUND BALANCE</u>	
Liabilities:	
Due to other funds	<u>2,205</u>
Total liabilities	<u>2,205</u>
Fund balance - Unreserved - Undesignated	<u>4,411</u>
Total liabilities and fund balance	<u>\$ 6,616</u>

COUNTY OF VENTURA
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
CAPITAL PROJECTS FUND
YEAR ENDED JUNE 30, 1998
(In Thousands)

	PUBLIC FACILITIES CORPORATION
Revenues:	
Revenues from use of money and property	\$ <u>304</u>
Total revenues	<u>304</u>
Expenditures:	
Current:	
Capital outlay	<u>330</u>
Total expenditures	<u>330</u>
Deficiency of revenues over expenditures	<u>(26)</u>
Other financing sources (uses):	
Operating transfers in	5,249
Operating transfers out	<u>(10,214)</u>
Total other financing sources (uses) - net	<u>(4,965)</u>
Deficiency of revenues and other financing sources over expenditures and other financing uses	<u>(4,991)</u>
Fund balance, July 1, 1997	<u>9,402</u>
Fund balance, June 30, 1998	\$ <u>4,411</u>

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Enterprise Funds

ENTERPRISE FUNDS

MEDICAL CENTER FUND

This fund is part of the County Health Care Agency which operates an acute care facility providing emergency room, inpatient and, through its clinics, outpatient services to all County residents. It also provides support services to related public and mental health programs administered by the Health Care Agency. The fund provides indigent care which is subsidized, in part, by transfers from the General Fund for such services.

RECREATION FUND

This fund operates the County's parks and golf courses. It provides administrative, fiscal, and other support services to these operations. Revenues are derived primarily from rentals of facilities to operators and concessionaires and from fees charged to public users of the facilities. The fund also accounts for federal and state aid in support of parks and recreational activities.

AIRPORTS FUND

This fund operates the County-owned general aviation facilities at the Camarillo and Oxnard airports, provides support services for airport tenants and the flying public and accounts for aid from other governmental units in support of aviation.

CHANNEL ISLANDS HARBOR EXPANSION FUND

This fund accounts for the expansion area of the Channel Islands Marina financed by loans from the State of California and coordinates growth of this facility. The activities of the commercial fishing enterprise funded by a federal loan is accounted for in this fund. The fund's revenues are derived from tenants in the expansion area. It is operated by the Harbor Enterprise Fund in conjunction with that fund's management of the remainder of the Marina facility.

WATERWORKS DISTRICTS FUNDS

These funds perform the necessary administrative, maintenance, and operations functions to provide uninterrupted sewer collection and disposal services and water delivery services to various communities of Ventura County. These districts include Waterworks Districts 1, 16, 17, 19, Camarillo Water and Sewer, and Lake Sherwood.

CHANNEL ISLANDS HARBOR

This fund operates the Channel Islands Marina. It provides administrative, fiscal, and other support to this operation, as well as to the Channel Islands Harbor Expansion Fund. Revenues are derived primarily from rentals of facilities to operators and concessionaires and from fees charged to the public users of the facility.

HEALTH CARE PLAN

The Ventura County Health Care Plan is a self-insured group medical plan operated by the County Health Care Agency. Revenues are derived primarily from charges for medical insurance to participating employer groups.

COUNTY OF VENTURA
COMBINING BALANCE SHEET
ENTERPRISE FUNDS
JUNE 30, 1998
(In Thousands)

	MEDICAL CENTER	RECREATION	AIRPORTS	CHANNEL ISL HARBOR EXPANSION	WATERWORKS DISTRICTS	CHANNEL ISLANDS HARBOR	HEALTH CARE PLAN	TOTAL
ASSETS								
Current assets:								
Cash and cash equivalents	\$ 7,885	\$ 924	\$ 3,609	\$2,870	\$30,689	\$343	\$1,527	\$ 47,847
Accounts receivable, net of allowance for contractual and uncollectible accounts of \$32,367	11,311	251	990	81	1,972	211	30	14,846
Due from other funds	1,551	980	66	8	205	126	41	2,977
Inventories and other assets	13,229	-	-	11	112	-	-	13,352
Total current assets	33,976	2,155	4,665	2,970	32,978	680	1,598	79,022
Restricted assets - Investments	819	-	-	-	-	-	-	819
Restricted assets - Deposits	-	-	-	51	-	-	1,000	1,051
Total restricted assets	819	-	-	51	-	-	1,000	1,870
Fixed assets:								
Land	1,480	12,303	24,115	-	2,381	3,146	-	43,425
Structures and improvements	30,956	10,500	8,372	8,143	48,545	816	-	107,332
Equipment	26,310	467	681	609	249	284	-	28,600
Construction in progress	1,065	150	3,014	-	1,982	75	-	6,286
Accumulated depreciation and amortization	(32,915)	(5,481)	(12,604)	(4,328)	(12,024)	(974)	-	(68,326)
Net fixed assets	26,896	17,939	23,578	4,424	41,133	3,347	-	117,317
Notes receivable and other long-term assets	-	-	23	-	-	-	-	23
Total assets	\$61,691	\$20,094	\$28,266	\$7,445	\$74,111	\$4,027	\$2,598	\$198,232
LIABILITIES AND FUND EQUITY								
Current liabilities:								
Accounts payable	2,451	23	3	192	1,225	\$ 87	\$ 274	\$ 4,255
Accrued liabilities	4,636	118	133	3	-	141	-	5,031
Due to other funds	11,000	128	105	117	545	276	449	12,620
Current portion of capital lease obligations and notes, loans, and bonds payable	1,188	12	-	342	335	-	-	1,877
Accrued insurance loss expense	-	-	-	-	-	-	713	713
Total current liabilities	19,275	281	241	654	2,105	504	1,436	24,496
Non-current liabilities								
Deferred revenue	-	405	-	30	146	17	-	598
Medical malpractice liability	3,804	-	-	-	-	-	-	3,804
Other liabilities	-	-	734	-	-	-	-	734
Long-term compensated absences	697	79	89	-	-	36	-	901
Capital lease obligations payable after one year	536	166	-	-	-	-	-	702
Notes, bonds, and loans payable after one year	3,506	-	-	4,171	989	-	-	8,666
Total non-current liabilities	8,543	650	823	4,201	1,135	53	-	15,405
Total liabilities	27,818	931	1,064	4,855	3,240	557	1,436	39,901
Fund equity:								
Contributed capital (Note 14)	24,311	18,260	22,514	78	34,318	2,778	1,000	103,259
Retained earnings	9,562	903	4,688	2,512	36,553	692	162	55,072
Total fund equity	33,873	19,163	27,202	2,590	70,871	3,470	1,162	158,331
Total liabilities and fund equity	\$61,691	\$20,094	\$28,266	\$7,445	\$74,111	\$4,027	\$2,598	\$198,232

COUNTY OF VENTURA
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS
ENTERPRISE FUNDS
YEAR ENDED JUNE 30, 1998
(In Thousands)

	MEDICAL CENTER	RECREATION	AIRPORTS	CHANNEL ISL HARBOR EXPANSION	WATERWORKS DISTRICTS	CHANNEL ISLANDS HARBOR	HEALTH CARE PLAN	TOTAL
Operating revenues:								
Charges for services	\$91,016	\$ 571	\$2,215	\$1,016	\$10,964	\$470	\$6,996	\$113,248
Rents and royalties	-	1,116	2,821	1,214	70	1,754	-	6,975
Total operating revenues	91,016	1,687	5,036	2,230	11,034	2,224	6,996	120,223
Operating expenses:								
Salaries and benefits	40,120	1,241	1,507	-	-	1,383	-	44,251
Services and supplies	39,500	828	1,361	1,272	9,940	952	888	54,741
Insurance	2,833	35	127	-	-	44	190	3,229
Utilities	985	155	191	16	13	77	-	1,437
Provision for insurance losses	-	-	-	-	-	-	6,048	6,048
Depreciation and amortization	3,047	632	746	262	908	101	-	5,696
Total operating expenses	86,485	2,891	3,932	1,550	10,861	2,557	7,126	115,402
Operating income (loss)	4,531	(1,204)	1,104	680	173	(333)	(130)	4,821
Nonoperating revenues (expenses):								
Grants	-	-	90	-	-	29	-	119
Property tax revenue	-	-	-	-	251	-	-	251
Interest revenue	403	67	265	145	1,717	20	156	2,773
Interest expense	(547)	(9)	-	(205)	(106)	-	-	(867)
Loss on disposal of fixed assets	-	(90)	-	-	(18)	(6)	-	(114)
Net nonoperating revenues (expenses)	(144)	(32)	355	(60)	1,844	43	156	2,162
Income (loss) before operating transfers	4,387	(1,236)	1,459	620	2,017	(290)	26	6,983
Operating transfers in	14,807	-	-	-	-	-	-	14,807
Operating transfers out	(19,211)	-	-	-	-	-	-	(19,211)
Net income (loss)	(17)	(1,236)	1,459	620	2,017	(290)	26	2,579
Add depreciation on fixed assets acquired by grants externally restricted for capital acquisitions and construction that reduces contributed capital	-	520	378	-	-	-	-	898
Increase (decrease) in retained earnings	(17)	(716)	1,837	620	2,017	(290)	26	3,477
Retained earnings, July 1, 1997 as restated (Note 14)	9,579	1,619	2,851	1,892	34,536	982	136	51,595
Retained earnings, June 30, 1998	\$ 9,562	\$ 903	\$4,688	\$2,512	\$36,553	\$692	\$ 162	\$55,072

COUNTY OF VENTURA
COMBINING STATEMENT OF CASH FLOWS
ENTERPRISE FUNDS
YEAR ENDED JUNE 30, 1998
(In Thousands)

	MEDICAL CENTER	RECREATION	AIRPORTS	CHANNEL ISLANDS HARBOR EXPANSION	WATERWORKS DISTRICTS	CHANNEL ISLANDS HARBOR	HEALTH CARE PLAN	TOTAL
Operating income (loss)	\$ 4,531	\$(1,204)	\$1,104	\$ 680	\$ 173	\$(333)	\$(130)	\$ 4,821
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:								
Depreciation and amortization	3,047	632	746	262	908	101	-	5,696
Changes in assets and liabilities:								
(Increase) decrease in accounts receivable	1,044	(112)	(265)	26	921	28	25	1,667
(Increase) decrease in due from other funds	2,182	456	(52)	2	47	296	21	2,952
(Increase) decrease in inventories and other assets	(9,312)	-	-	-	(37)	-	-	(9,349)
Increase (decrease) in accounts payable	723	7	(34)	(25)	536	7	(4)	1,210
Increase (decrease) in accrued liabilities	504	7	1	-	-	13	-	525
Increase (decrease) in due to other funds	7,370	75	4	(250)	246	(10)	(677)	6,758
Decrease in deferred revenue	-	(16)	-	(1)	26	1	-	10
Increase (decrease) in other liabilities	-	-	(115)	-	-	-	-	(115)
Increase (decrease) in long-term compensated absences	(34)	(23)	32	-	-	(1)	-	(26)
Increase in accrued insurance loss expense	-	-	-	-	-	-	384	384
Total adjustments	5,524	1,026	317	14	2,647	435	(251)	9,712
Net cash provided (used) by operating activities	10,055	(178)	1,421	694	2,820	102	(381)	14,533
Cash flows from noncapital financing activities:								
Nonoperating grants received	-	-	90	-	-	29	-	119
Property taxes received	-	-	-	-	251	-	-	251
Operating transfers in	14,807	-	-	-	-	-	-	14,807
Operating transfers out	(19,211)	-	-	-	-	-	-	(19,211)
Net cash provided (used) by noncapital financing activities	(4,404)	-	90	-	251	29	-	(4,034)
Cash flows from capital and related financing activities:								
Acquisition of fixed assets	(2,172)	(72)	(3,115)	-	(1,653)	(92)	-	(7,104)
Principal paid on capital lease obligations and notes payable	(1,126)	(12)	-	(329)	(639)	-	-	(2,106)
Interest paid on capital lease obligations and notes payable	(547)	(9)	-	(205)	(101)	-	-	(862)
Contributed capital received (used)	-	(138)	377	-	-	(45)	-	194
Capital contributed by developers	-	-	-	-	375	-	-	375
Residual equity transfers to other funds	-	-	-	-	(84)	-	-	(84)
Net cash provided (used) by capital and related financing activities	(3,845)	(231)	(2,738)	(534)	(2,102)	(137)	-	(9,587)
Cash flows from investing activities:								
Interest on investments	353	68	271	141	1,664	20	153	2,670
Loan reserve established	-	-	-	(51)	-	-	-	(51)
Net cash provided by investing activities	353	68	271	90	1,664	20	153	2,619
Net increase (decrease) in cash and cash equivalents	2,159	(341)	(956)	250	2,633	14	(228)	3,531
Cash and cash equivalents at beginning of year	5,726	1,265	4,565	2,620	28,056	329	1,755	44,316
Cash and cash equivalents at end of year	\$ 7,885	\$ 924	\$ 3,609	\$ 2,870	\$ 30,689	\$ 343	\$ 1,527	\$ 47,847

Non-cash investing, capital and financing activities include adjustments for fixed asset transactions including transfer of assets in exceeding assets out with a net cost of \$29 and a net book value of \$1, deletion of assets with a cost of \$134 and a net book value of \$95 and donated assets with a cost of \$116. Interest on investments was adjusted for current and prior year accruals in the net amount of \$103. Contributed capital's decrease included prior year adjustments in the amount of \$498, contributions used in the amount of \$84, donation of assets with a cost of \$116, transfers of assets in with a net book value of \$1 and depreciation of donated assets in the amount of \$896.

Internal Service Funds

INTERNAL SERVICE FUNDS

PUBLIC WORKS SERVICES FUND

This fund coordinates the County's property management activities and provides administrative, engineering, construction, and maintenance services to various County departments as well as other governmental units.

HEAVY EQUIPMENT FUND

This fund maintains the County's fleet of machinery and construction equipment and rents such equipment to County departments and other governmental units.

TRANSPORTATION FUND

This fund provides for the acquisition, maintenance, and replacement of County automobiles and light trucks, which it rents to various County departments and agencies.

GENERAL INSURANCE FUND

This fund administers certain commercial and County self-insurance programs, principally workers' compensation, medical malpractice, and general liability. The fund, operated by the General Services Agency, provides claims adjusting and administration, collects premiums from other County funds and departments, establishes reserves for insurance losses and loss expenses, and generally acts as the County's risk manager and insurance agent.

INFORMATION SYSTEMS FUND

This fund is responsible for the design, implementation and maintenance of the telecommunication network as well as the computer-assisted systems which support the information processing requirements of the County departments and agencies.

GENERAL SERVICES FUND

This fund provides graphics, mailroom, stores, purchasing, security, maintenance and custodial services to all County agencies and departments and administers the job order maintenance projects for General Fund and other departments. The fund, operated by General Services Agency, determines levels of services and recovers costs through the rate process.

EMPLOYEE BENEFITS INSURANCE FUND

This fund administers the County's commercial employees' group medical plan and self-insured, disability, and unemployment insurance programs. The fund, operated by the Human Resources Department, collects premiums from County agencies, departments and employees, and makes benefit payments through outside settlement agents. The fund also administers the Work/Family Program which includes resource and referral information for child and elder care, and seminars on balancing work and family life.

PERSONNEL SERVICES FUND

This fund administers the training services offered to County and non-County entities. Services include assessment of the requesting entity's needs as well as the development and delivery of comprehensive programs. This fund, operated by the Human Resources Department, provides these services at cost to both County departments and outside entities.

COUNTY OF VENTURA
COMBINING BALANCE SHEET
INTERNAL SERVICE FUNDS
JUNE 30, 1998
(In Thousands)

	PUBLIC WORKS SERVICES	HEAVY EQUIPMENT	TRANS- PORTATION	GENERAL INSURANCE	INFORMATION SYSTEMS	GENERAL SERVICES	EMPLOYEE BENEFITS INSURANCE	PERSONNEL SERVICES	TOTAL
ASSETS									
Current assets:									
Cash and cash equivalents	\$3,693	\$4,371	\$ 905	\$9,034	\$ 5,252	\$3,264	\$3,415	\$ 82	\$ 30,016
Accounts receivable	123	53	32	127	257	42	160	83	877
Due from other funds	2,662	550	787	11,038	2,320	727	26	6	18,116
Inventories and other assets	-	-	245	310	1,341	443	-	-	2,339
Total current assets	<u>6,478</u>	<u>4,974</u>	<u>1,969</u>	<u>20,509</u>	<u>9,170</u>	<u>4,476</u>	<u>3,601</u>	<u>171</u>	<u>51,348</u>
Restricted assets - investments:	-	-	-	-	113	-	-	-	113
Fixed assets:									
Structures and improvements	529	26	208	-	1,324	118	-	-	2,205
Equipment	1,405	8,921	23,285	278	19,732	1,661	16	-	55,298
Construction in progress	-	-	-	-	2,157	-	-	-	2,157
Accumulated depreciation and amortization	<u>(1,178)</u>	<u>(6,006)</u>	<u>(13,277)</u>	<u>(214)</u>	<u>(14,334)</u>	<u>(778)</u>	<u>(16)</u>	-	<u>(35,803)</u>
Net fixed assets	<u>756</u>	<u>2,941</u>	<u>10,216</u>	<u>64</u>	<u>8,879</u>	<u>1,001</u>	-	-	<u>23,857</u>
Total assets	<u>\$7,234</u>	<u>\$7,915</u>	<u>\$12,185</u>	<u>\$20,573</u>	<u>\$18,162</u>	<u>\$5,477</u>	<u>\$3,601</u>	<u>\$171</u>	<u>\$75,318</u>
LIABILITIES AND FUND EQUITY									
Current liabilities:									
Accounts payable	\$ 105	\$ 25	\$ 123	\$ 206	\$ 1,207	\$ 1,834	\$ 16	\$ 11	\$ 3,527
Accrued liabilities	1,782	63	170	294	915	486	97	18	3,825
Due to other funds	205	167	50	139	65	319	98	1	1,044
Deferred revenue	26	-	-	-	-	87	-	-	113
Current portion of capital lease obligations and notes payable	<u>20</u>	-	-	-	<u>193</u>	-	-	-	<u>213</u>
Total current liabilities	<u>2,138</u>	<u>255</u>	<u>343</u>	<u>639</u>	<u>2,380</u>	<u>2,726</u>	<u>211</u>	<u>30</u>	<u>8,722</u>
Non-current liabilities:									
Capital lease obligations payable after one year	-	-	-	-	356	-	-	-	356
Accrued insurance losses	-	-	-	14,347	-	-	151	-	14,498
Other liabilities	-	-	798	-	-	-	-	-	798
Long-term compensated absences	<u>1,096</u>	<u>18</u>	<u>60</u>	<u>74</u>	<u>461</u>	<u>461</u>	<u>37</u>	<u>1</u>	<u>2,208</u>
Total non-current liabilities	<u>1,096</u>	<u>18</u>	<u>858</u>	<u>14,421</u>	<u>817</u>	<u>461</u>	<u>188</u>	<u>1</u>	<u>17,860</u>
Total liabilities	<u>3,234</u>	<u>273</u>	<u>1,201</u>	<u>15,060</u>	<u>3,197</u>	<u>3,187</u>	<u>399</u>	<u>31</u>	<u>26,582</u>
Fund equity:									
Contributed capital	243	7,261	10,701	272	10,004	1,390	-	-	29,871
Retained earnings	<u>3,757</u>	<u>381</u>	<u>283</u>	<u>5,241</u>	<u>4,961</u>	<u>900</u>	<u>3,202</u>	<u>140</u>	<u>18,865</u>
Total fund equity	<u>4,000</u>	<u>7,642</u>	<u>10,984</u>	<u>5,513</u>	<u>14,965</u>	<u>2,290</u>	<u>3,202</u>	<u>140</u>	<u>48,736</u>
Total liabilities and fund equity	<u>\$7,234</u>	<u>\$7,915</u>	<u>\$12,185</u>	<u>\$20,573</u>	<u>\$18,162</u>	<u>\$5,477</u>	<u>\$3,601</u>	<u>\$171</u>	<u>\$75,318</u>

COUNTY OF VENTURA
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 1998
(In Thousands)

	PUBLIC WORKS SERVICES	HEAVY EQUIPMENT	TRANS- PORTATION	GENERAL INSURANCE	INFORMATION SYSTEMS	GENERAL SERVICES	EMPLOYEE BENEFITS INSURANCE	PERSONNEL SERVICES	TOTAL
Operating revenues - Charges for services	<u>\$ 22,897</u>	<u>\$ 2,346</u>	<u>\$ 7,727</u>	<u>\$ 17,634</u>	<u>\$22,263</u>	<u>\$23,247</u>	<u>\$ 2,800</u>	<u>\$399</u>	<u>\$ 99,313</u>
Operating expenses:									
Salaries and benefits	19,542	654	1,821	2,171	9,221	6,548	975	211	41,143
Services and supplies	3,139	1,485	3,970	1,790	10,313	17,011	558	162	38,428
Insurance	64	12	51	8,647	44	74	1,581	1	10,474
Insurance loss expense	-	-	-	2,364	-	-	437	-	2,801
Depreciation and amortization	<u>132</u>	<u>485</u>	<u>2,499</u>	<u>19</u>	<u>1,746</u>	<u>100</u>	<u>2</u>	<u>-</u>	<u>4,983</u>
Total operating expenses	<u>22,877</u>	<u>2,636</u>	<u>8,341</u>	<u>14,991</u>	<u>21,324</u>	<u>23,733</u>	<u>3,553</u>	<u>374</u>	<u>97,829</u>
Operating income (loss)	<u>20</u>	<u>(290)</u>	<u>(614)</u>	<u>2,643</u>	<u>939</u>	<u>(486)</u>	<u>(753)</u>	<u>25</u>	<u>1,484</u>
Nonoperating revenues (expenses):									
Grants	-	-	241	-	-	-	-	-	241
Interest revenue	214	226	62	1,125	231	147	201	6	2,212
Interest expense	(4)	-	-	(223)	(9)	-	-	-	(236)
Gain (loss) on disposal of fixed assets	<u>(2)</u>	<u>26</u>	<u>(53)</u>	<u>(8)</u>	<u>(144)</u>	<u>(2)</u>	<u>-</u>	<u>-</u>	<u>(183)</u>
Net nonoperating revenues (expenses)	<u>208</u>	<u>252</u>	<u>250</u>	<u>894</u>	<u>78</u>	<u>145</u>	<u>201</u>	<u>6</u>	<u>2,034</u>
Net income (loss)	228	(38)	(364)	3,537	1,017	(341)	(552)	31	3,518
Retained earnings, July 1, 1997	<u>3,529</u>	<u>419</u>	<u>647</u>	<u>1,704</u>	<u>3,944</u>	<u>1,241</u>	<u>3,754</u>	<u>109</u>	<u>15,347</u>
Retained earnings, June 30, 1998	<u>\$ 3,757</u>	<u>\$ 381</u>	<u>\$ 283</u>	<u>\$ 5,241</u>	<u>\$ 4,961</u>	<u>\$ 900</u>	<u>\$ 3,202</u>	<u>\$ 140</u>	<u>\$18,865</u>

COUNTY OF VENTURA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 1998
(In Thousands)

	PUBLIC WORKS SERVICES	HEAVY EQUIPMENT	TRANS- PORTATION	GENERAL INSURANCE	INFORMATION SYSTEMS	GENERAL SERVICES	EMPLOYEE BENEFITS INSURANCE	PERSONNEL SERVICES	TOTAL
Operating income (loss)	\$ 20	\$ (290)	\$ (614)	\$ 2,643	\$ 939	\$ (486)	\$ (753)	\$ 25	\$ 1,484
Adjustments to reconcile operating income to net cash provided (used) by operating activities:									
Depreciation and amortization	132	485	2,499	19	1,746	100	2	-	4,983
Changes in assets and liabilities:									
(Increase) decrease in accounts receivable	(17)	(1)	(3)	1,348	284	11	(37)	(33)	1,552
(Increase) decrease in due from other funds	(1,690)	260	224	(7,385)	(291)	(40)	66	41	(8,815)
(Increase) decrease in inventories and other assets	-	-	5	(310)	(594)	(25)	-	-	(924)
Increase (decrease) in accounts payable	88	20	(32)	(4,205)	982	1,108	8	8	(2,023)
Increase (decrease) in accrued liabilities	19	(1)	3	40	100	(118)	(5)	(6)	32
Increase (decrease) in due to other funds	64	(36)	(563)	(152)	(40)	-	(85)	(45)	(857)
Increase in deferred revenue	14	-	-	-	-	71	-	-	85
Decrease in accrued insurance loss expense	-	-	-	(764)	-	-	(23)	-	(787)
Decrease in other liabilities	-	-	(71)	-	-	-	-	-	(71)
Increase (decrease) in long-term compensated absences	(25)	(2)	1	(94)	(77)	110	(18)	(8)	(113)
Total adjustments	(1,415)	725	2,063	(11,503)	2,110	1,217	(92)	(43)	(6,938)
Net cash provided (used) by operating activities	(1,395)	435	1,449	(8,860)	3,049	731	(845)	(18)	(5,454)
Cash flow from noncapital financing activities:									
Interest paid on interfund loans	-	-	-	(223)	-	-	-	-	(223)
Nonoperating grants received	-	-	241	-	-	-	-	-	241
Operating transfers in	-	-	-	-	-	-	-	-	-
Operating transfers out	-	-	-	-	-	-	-	-	-
Net cash provided (used) by noncapital financial activities	-	-	241	(223)	-	-	-	-	18
Cash flow from capital & related financing activities:									
Acquisition of fixed assets	(98)	(248)	(2,913)	-	(4,169)	(143)	-	-	(7,571)
Principal paid on capital lease obligations and notes payable	(39)	-	-	-	(157)	(30)	-	-	(226)
Interest paid on capital lease obligations and notes payable	(4)	-	-	-	(9)	-	-	-	(13)
Proceeds from sale of equipment	-	548	338	-	4	-	-	-	390
Contributed capital received	-	-	-	-	173	-	-	-	173
Residual equity transfers from other funds	-	357	522	-	1,900	-	-	-	2,779
Net cash provided (used) by capital and related financing activities	(141)	157	(2,053)	-	(2,258)	(173)	-	-	(4,468)
Cash flows from investing activities:									
Interest on investments	204	216	60	1,383	240	160	210	7	2,480
Net increase (decrease) in cash and cash equivalents	(1,332)	808	(303)	(7,700)	1,031	718	(635)	(11)	(7,424)
Cash and cash equivalents at beginning of year	5,025	3,563	1,208	16,734	4,221	2,546	4,050	93	37,440
Cash and cash equivalents at end of year	\$3,693	\$4,371	\$ 905	\$ 9,034	\$ 5,252	\$ 3,264	\$ 3,415	\$ 82	\$ 30,016

Non-cash investing, capital, and financing activities include adjustments for fixed asset transactions, including a capital lease addition with a cost of \$592, transfer of assets out exceeding assets in with a net cost of \$88, and a net book value of \$24 and deletions of assets with a cost of \$4,398 and a net book value of \$595. Interest on investments was adjusted for current and prior year accruals in the net amount of \$268. Contributed capital's increase included transfers of assets out exceeding assets in with a net book value of \$24.

Pension Trust and Agency Funds

PENSION TRUST AND AGENCY FUNDS

PENSION TRUST FUND

This fund is used to account for the financial operations of the Ventura County Employees' Retirement Association.

COUNTY FUNDS

These funds provide clearing facilities for items such as payroll withholdings and interest income to be apportioned to other County funds. Additionally, restricted cash receipts from grant programs and similar sources are held in these funds until disbursement criteria are met.

PROPERTY TAX COLLECTION FUNDS

These funds are used by the County in its role as tax collector to record property tax receipts awaiting apportionment to other governmental units and recipient County funds.

EXTERNAL INVESTMENT POOL

The County Treasurer provides fiscal services for various other governmental entities, such as special districts and school districts. These funds represent the assets, primarily cash and investments, of these entities in the Treasurer's custody and the related liability of the County to disburse these monies on demand. The County follows procedures of (S/B GASB) Statement No. 31 Accounting and Financial Reporting for certain investments and for external investment pools.

COUNTY OF VENTURA
COMBINING BALANCE SHEET
PENSION TRUST AND AGENCY FUNDS
JUNE 30, 1998
(In Thousands)

	PENSION TRUST FUND	AGENCY FUNDS			TOTAL
		COUNTY FUNDS	PROPERTY TAX COLLECTION FUNDS	EXTERNAL INVESTMENT POOL	
<u>ASSETS</u>					
Cash and cash equivalents	\$ 76,746	\$189,906	\$40,113	\$400,460	\$ 707,225
Investments	2,018,777	-	-	-	2,018,777
Receivables:					
Accounts	15,331	1,535	-	8,064	24,930
Property taxes	-	-	27,505	-	27,505
Contributions	1,692	-	-	-	1,692
Due from other funds	<u>5</u>	<u>2,755</u>	<u>647</u>	<u>2,180</u>	<u>5,587</u>
Total assets	<u>\$2,112,551</u>	<u>\$194,196</u>	<u>\$68,265</u>	<u>\$410,704</u>	<u>\$2,785,716</u>
<u>LIABILITIES AND FUND BALANCE</u>					
Liabilities:					
Accounts payable	\$ 200,269	\$ 12,694	\$ 94	\$ 1,184	\$ 214,241
Funds held for County departments	-	67,139	-	-	67,139
Taxes due to other governmental units	-	-	25,909	-	25,909
Teeter tax reserve	-	-	40,701	-	40,701
Funds held for other governmental units	-	-	-	404,786	404,786
Due to primary government	100	114,353	1,561	4,734	120,748
Due to component unit	<u>-</u>	<u>10</u>	<u>-</u>	<u>-</u>	<u>10</u>
Total liabilities	<u>\$ 200,369</u>	<u>194,196</u>	<u>68,265</u>	<u>410,704</u>	<u>873,534</u>
Fund balance -					
Reserved - for employees' pension benefits	<u>1,912,182</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,912,182</u>
Total liabilities and fund balance	<u>\$ 2,112,551</u>	<u>\$194,196</u>	<u>\$68,265</u>	<u>\$ 410,704</u>	<u>\$2,785,716</u>

COUNTY OF VENTURA
STATEMENT OF PLAN NET ASSETS
PENSION TRUST FUND
JUNE 30, 1998
(In Thousands)

	VENTURA COUNTY EMPLOYEES RETIREMENT ASSOCIATION
<u>ASSETS</u>	
Cash and cash equivalents	\$ 76,746
Receivables:	
Employer contributions	812
Employee contributions	880
Interest and dividends	6,207
Security sales	9,095
Due from other funds	5
Miscellaneous receivables	<u>29</u>
Total receivables	<u>17,028</u>
Investments, at fair value:	
Domestic fixed income	383,207
Domestic equity	785,383
International equity	229,999
International fixed income	139,636
Tactical asset allocation fund	303,890
Real estate	48,981
Collateral held for securities lent	<u>127,681</u>
Total investments	<u>2,018,777</u>
Total assets	<u>\$2,112,551</u>
<u>LIABILITIES</u>	
Accounts payable	1,875
Due to other funds	100
Security deposits payable	202
Security purchases payable	70,511
Collateral held for securities lent	<u>127,681</u>
Total liabilities	<u>200,369</u>
Net assets held in trust for pension benefits	<u>\$1,912,182</u>

COUNTY OF VENTURA
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
YEAR ENDED JUNE 30, 1998
(In Thousands)

	BALANCE JULY 1, 1997	ADDITIONS	DEDUCTIONS	BALANCE JUNE 30, 1998
<u>COUNTY FUNDS</u>				
<u>ASSETS</u>				
Cash and cash equivalents	\$173,837	\$1,331,038	\$ 1,314,969	\$189,906
Accounts receivable	2,522	6,095	7,082	1,535
Due from other funds	<u>2,148</u>	<u>119,911</u>	<u>119,304</u>	<u>2,755</u>
Total assets	<u>\$178,507</u>	<u>\$1,457,044</u>	<u>\$1,441,355</u>	<u>\$194,196</u>
<u>LIABILITIES</u>				
Accounts payable	\$ 8,415	\$ 685,690	\$ 681,411	\$ 12,694
Funds held for County departments	65,892	934,531	933,284	67,139
Due to other funds	<u>104,200</u>	<u>116,374</u>	<u>106,211</u>	<u>114,363</u>
Total liabilities	<u>\$178,507</u>	<u>\$1,736,595</u>	<u>\$1,720,906</u>	<u>\$194,196</u>
<u>PROPERTY TAX COLLECTION FUNDS</u>				
<u>ASSETS</u>				
Cash and cash equivalents	\$ 35,400	\$1,135,801	\$1,131,088	\$ 40,113
Property taxes receivable	29,546	18,330	20,371	27,505
Due from other funds	<u>210</u>	<u>787</u>	<u>350</u>	<u>647</u>
Total assets	<u>\$ 65,156</u>	<u>\$1,154,918</u>	<u>\$1,151,809</u>	<u>\$ 68,265</u>
<u>LIABILITIES</u>				
Accounts payable	\$ 74	\$5,903	\$ 5,883	\$ 94
Taxes due to other governmental units	23,615	1,116,918	1,114,624	25,909
Teeter tax reserve	40,527	7,504	7,330	40,701
Due to other funds	<u>940</u>	<u>18,929</u>	<u>18,308</u>	<u>1,561</u>
Total liabilities	<u>\$ 65,156</u>	<u>\$1,149,254</u>	<u>\$1,146,145</u>	<u>\$ 68,265</u>

(CONTINUED)

COUNTY OF VENTURA
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 AGENCY FUNDS
 YEAR ENDED JUNE 30, 1998
 (In Thousands)
 (CONTINUED)

	BALANCE JULY 1, 1997	ADDITIONS	DEDUCTIONS	BALANCE JUNE 30, 1998
<u>EXTERNAL INVESTMENT POOL</u>				
<u>ASSETS</u>				
Cash and cash equivalents	\$301,173	\$1,260,205	\$1,160,918	\$400,460
Accounts receivable	4,586	11,603	8,125	8,064
Due from other funds	<u>1,112</u>	<u>6,794</u>	<u>5,726</u>	<u>2,180</u>
Total assets	<u>\$306,871</u>	<u>\$1,278,602</u>	<u>\$1,174,769</u>	<u>\$410,704</u>
<u>LIABILITIES</u>				
Accounts payable	\$ 41	\$ 94,281	\$ 93,138	\$ 1,184
Funds held for other governmental units	306,799	2,499,226	2,401,239	404,786
Due to other funds	<u>31</u>	<u>11,137</u>	<u>6,434</u>	<u>4,734</u>
Total liabilities	<u>\$306,871</u>	<u>\$2,604,644</u>	<u>\$2,500,811</u>	<u>\$410,704</u>

(CONTINUED)

COUNTY OF VENTURA
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 AGENCY FUNDS
 YEAR ENDED JUNE 30, 1998
 (In Thousands)
 (CONTINUED)

	BALANCE JULY 1, 1997	ADDITIONS	DEDUCTIONS	BALANCE JUNE 30, 1998
<u>TOTALS - ALL AGENCY FUNDS</u>				
<u>ASSETS</u>				
Cash and cash equivalents	\$510,410	\$3,727,044	\$3,606,975	\$630,479
Receivables:				
Accounts	7,108	17,698	15,207	9,599
Property taxes	29,546	18,330	20,371	27,505
Due from other funds	<u>3,470</u>	<u>127,492</u>	<u>125,380</u>	<u>5,582</u>
Total assets	<u>\$550,534</u>	<u>\$3,890,564</u>	<u>\$3,767,933</u>	<u>\$673,165</u>
<u>LIABILITIES</u>				
Accounts payable	\$ 8,530	\$ 785,874	\$ 780,432	\$ 13,972
Funds held for County departments	65,892	934,531	933,284	67,139
Taxes due to other governmental units	23,615	1,116,918	1,114,624	25,909
Teeter tax reserve	40,527	7,504	7,330	40,701
Funds held for other governmental units	306,799	2,499,226	2,401,239	404,786
Due to other funds	<u>105,171</u>	<u>146,440</u>	<u>130,953</u>	<u>120,658</u>
Total liabilities	<u>\$550,534</u>	<u>\$5,490,493</u>	<u>\$5,367,862</u>	<u>\$673,165</u>

General Fixed Assets Account Group

GENERAL FIXED ASSETS ACCOUNT GROUP

GENERAL FIXED ASSETS ACCOUNT GROUP

The General Fixed Assets Account Group is used to account for property and equipment purchased or obtained by governmental fund types (the General Fund, special revenue funds and capital projects fund). These assets are used in the normal operations of the County and do not represent financial resources available for expenditure. Accordingly, this account group is used to provide accountability and control for the County's property and equipment. Depreciation is provided on these assets on a memorandum basis only.

COUNTY OF VENTURA SCHEDULE OF GENERAL FIXED ASSETS BY SOURCE JUNE 30, 1998 (In Thousands)

General fixed assets:	
Land	\$ 6,161
Structures and improvements	256,087
Equipment	46,675
Construction in progress	<u>7,876</u>
Total general fixed assets	316,799
Less: Accumulated depreciation and amortization	<u>86,384</u>
Net general fixed assets	<u>\$230,415</u>

Investment in general fixed assets from:	
Capital projects funds:	
Federal grants and entitlements	\$ 29,693
State grants	53
Grants from other governmental units	20,040
General Fund revenues	256,203
Special revenue fund revenues	9,892
Gifts	<u>918</u>
Total investment in general fixed assets	316,799
Less: Accumulated depreciation and amortization	<u>86,384</u>
Net investment in general fixed assets	<u>\$230,415</u>

COUNTY OF VENTURA
SCHEDULE OF GENERAL FIXED ASSETS
BY FUNCTION AND ACTIVITY
JUNE 30, 1998
(In Thousands)

FUNCTION AND ACTIVITY	LAND	STRUCTURES AND IMPROVEMENTS	EQUIPMENT	TOTAL
General government:				
General administration	\$4,304	\$88,310	\$ 1,047	\$ 93,661
Finance	-	-	2,924	2,924
Property management	-	-	9,462	9,462
Other	-	7	1,378	1,385
Total general government	<u>4,304</u>	<u>88,317</u>	<u>14,811</u>	<u>107,432</u>
Public protection:				
Judicial	-	11,626	473	12,099
Police protection	54	15,266	4,086	19,406
Detention and correction	201	98,435	2,620	101,256
Protective inspection	5	85	500	590
Fire	1,207	8,497	17,417	27,121
Other	<u>156</u>	<u>13,892</u>	<u>1,829</u>	<u>15,877</u>
Total public protection	<u>1,623</u>	<u>147,801</u>	<u>26,925</u>	<u>176,349</u>
Public ways and facilities	-	437	144	581
Health services	-	14,436	2,543	16,979
Public assistance:				
Administration	-	-	493	493
Other	-	-	206	206
Total public assistance	-	-	699	699
Education:				
Library services	234	5,096	1,545	6,875
Other	-	-	8	8
Total education	<u>234</u>	<u>5,096</u>	<u>1,553</u>	<u>6,883</u>
Total general fixed assets allocated to functions	<u>\$6,161</u>	<u>\$256,087</u>	<u>\$46,675</u>	<u>308,923</u>
Construction in progress				7,876
Total general fixed assets				<u>\$316,799</u>

COUNTY OF VENTURA
SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS
BY FUNCTION AND ACTIVITY
YEAR ENDED JUNE 30, 1998
(In Thousands)

FUNCTION AND ACTIVITY	BALANCE JUNE 30, 1997	ADDITIONS	DELETIONS	NET TRANSFERS	BALANCE JUNE 30, 1998
General government:					
General administration	\$ 84,369	\$ 14,306	\$ 5,014	\$ -	\$ 93,661
Finance	669	2,256	1	-	2,924
Property management	8,281	1,196	12	(3)	9,462
Other	<u>1,368</u>	<u>72</u>	<u>36</u>	<u>(19)</u>	<u>1,385</u>
Total general government	<u>94,687</u>	<u>17,830</u>	<u>5,063</u>	<u>(22)</u>	<u>107,432</u>
Public protection:					
Judicial	12,922	26	28	(821)	12,099
Police protection	19,621	364	400	(179)	19,406
Detention and correction	100,686	563	195	202	101,256
Protective inspection	600	-	3	(7)	590
Fire	26,699	793	371	0	27,121
Other	<u>15,750</u>	<u>355</u>	<u>229</u>	<u>1</u>	<u>15,877</u>
Total public protection	<u>176,278</u>	<u>2,101</u>	<u>1,226</u>	<u>(804)</u>	<u>176,349</u>
Public ways and facilities	<u>591</u>	<u>3</u>	<u>13</u>	<u>-</u>	<u>581</u>
Health services	<u>16,748</u>	<u>248</u>	<u>17</u>	<u>-</u>	<u>16,979</u>
Public assistance:					
Administration	486	11	4	-	493
Other	<u>206</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>206</u>
Total public assistance	<u>692</u>	<u>11</u>	<u>4</u>	<u>-</u>	<u>699</u>
Education:					
Library services	6,753	82	-	40	6,875
Other	<u>8</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8</u>
Total education	<u>6,761</u>	<u>82</u>	<u>-</u>	<u>40</u>	<u>6,883</u>
Construction in progress	<u>11,964</u>	<u>2,263</u>	<u>6,351</u>	<u>-</u>	<u>7,876</u>
Total general fixed assets	<u>\$307,721</u>	<u>\$ 22,538</u>	<u>\$12,674</u>	<u>\$ (786)</u>	<u>\$316,799</u>

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Discretely Presented Component Units

DISCRETELY PRESENTED COMPONENT UNIT

AIR POLLUTION CONTROL DISTRICT

The Air Pollution Control District was established to protect the County from the adverse impacts of air pollution. It derives its revenues primarily from fees, licenses, and aid from other governmental units. The district, previously included in the County's general purpose financial statements as a special revenue fund, was reorganized pursuant to Assembly Bill 75, effective July 1, 1994.

COUNTY OF VENTURA
BALANCE SHEET
DISCRETELY PRESENTED COMPONENT UNIT
JUNE 30, 1998
(In Thousands)

ASSETS AND OTHER DEBITS	AIR POLLUTION CONTROL DISTRICT
Assets:	
Cash and cash equivalents	\$3,742
Accounts receivable	1,252
Due from primary government	10
Fixed assets	1,383
Other debits:	
Amounts to be provided for payment of long-term obligations	<u>216</u>
Total assets and other debits	<u>\$6,603</u>

(CONTINUED)

BALANCE SHEET
DISCRETELY PRESENTED COMPONENT UNIT
JUNE 30, 1998
(In Thousands)
(CONTINUED)

LIABILITIES, EQUITY, AND OTHER CREDITS	AIR POLLUTION CONTROL DISTRICT
Liabilities:	
Accounts payable	\$ 33
Accrued liabilities	698
Due to primary government	16
Deferred revenue	314
Long-term compensated absences	<u>216</u>
Total liabilities	<u>1,277</u>
Equity and other credits:	
Investment in general fixed assets	1,383
Fund balances:	
Reserved	556
Unreserved	<u>3,387</u>
Total equity and other credits	<u>5,326</u>
Total liabilities, equity, and other credits	<u>\$6,603</u>

COUNTY OF VENTURA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
DISCRETELY PRESENTED COMPONENT UNIT
YEAR ENDED JUNE 30, 1998
(In Thousands)

	AIR POLLUTION CONTROL DISTRICT
Revenues:	
Licenses, permits, and franchises	\$2,193
Fines, forfeitures, and penalties	163
Revenues from use of money and property	240
Aid from other governmental units	3,365
Charges for current services	49
Other	<u>8</u>
Total revenues	<u>6,018</u>
Expenditures:	
Current - Public protection	5,528
Capital outlay	<u>55</u>
Total expenditures	<u>5,583</u>
Excess of revenues over expenditures	<u>435</u>
Other financing uses:	
Operating transfers out - Primary government	<u>(218)</u>
Excess of revenues over expenditures and other financing uses	217
Fund balance, July 1, 1997	<u>3,726</u>
Fund balance, June 30, 1998	<u>\$3,943</u>

Statistical Section

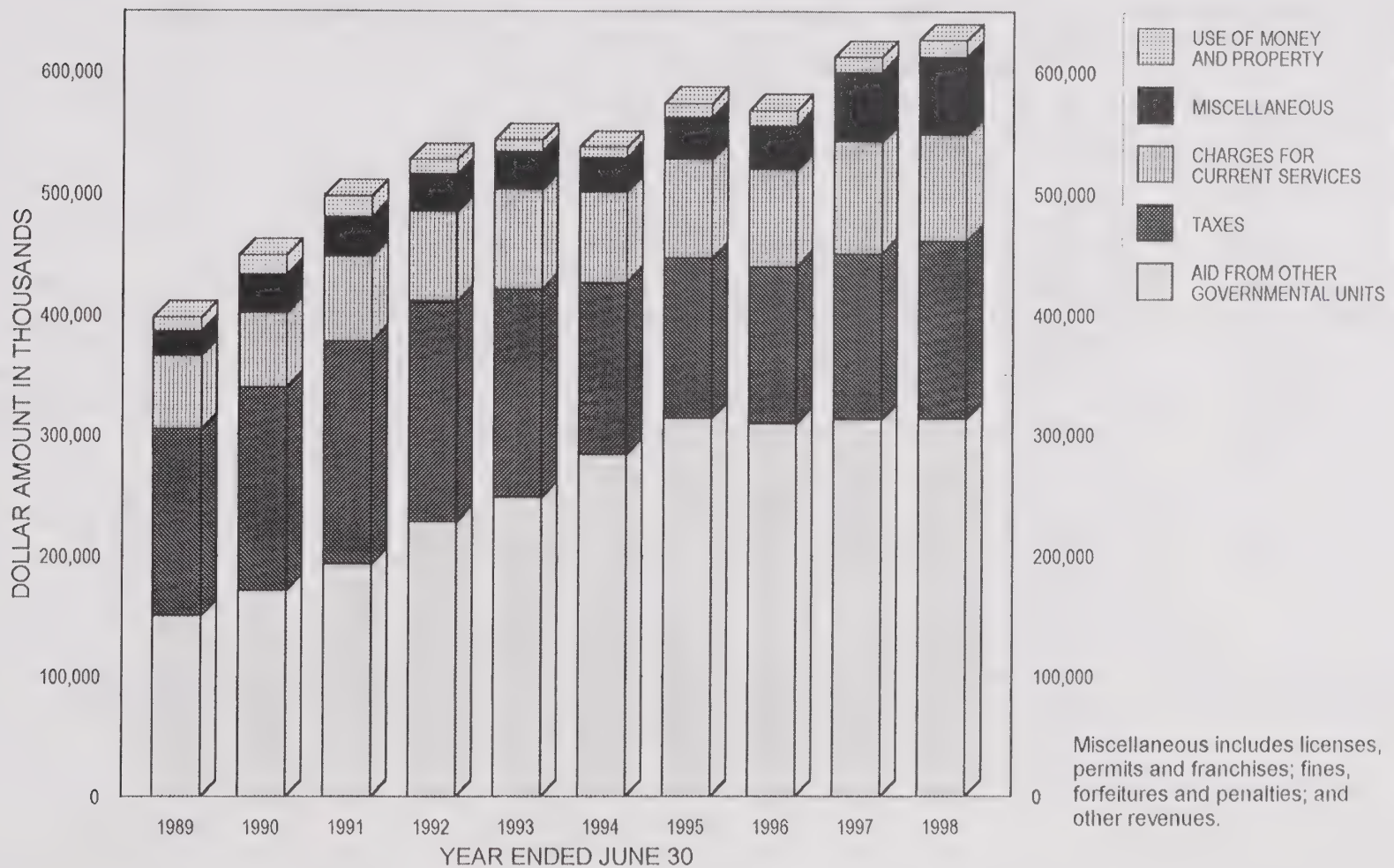
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COUNTY OF VENTURA
REVENUES BY SOURCE
ALL GOVERNMENTAL FUND TYPES (1)
TEN YEARS ENDED JUNE 30, 1998
(In Thousands)
(UNAUDITED)

YEAR ENDED JUNE30	TAXES	LICENSES, PERMITS, AND FRANCHISES	FINES, FORFEITURES, AND PENALTIES	USE OF MONEY AND PROPERTY	AID FROM OTHER GOVERNMENTAL UNITS	CHARGES FOR CURRENT SERVICES	OTHER REVENUE	TOTAL
1989	\$154,844	\$ 8,013	\$ 5,840	\$11,835	\$149,729	\$61,435	\$ 6,402	\$398,098
1990	\$168,511	\$ 7,833	\$12,515	\$15,703	\$171,124	\$61,656	\$11,642	\$448,984
1991	\$185,028	\$ 8,198	\$11,224	\$16,802	\$193,031	\$70,036	\$13,517	\$497,836
1992	\$182,872	\$ 9,385	\$ 7,971	\$12,036	\$227,815	\$74,367	\$13,291	\$527,737
1993	\$173,306	\$10,832	\$ 6,795	\$ 9,927	\$247,609	\$82,367	\$13,616	\$544,452
1994	\$143,422	\$10,069	\$ 9,001	\$ 8,496	\$283,168	\$74,512	\$ 9,419	\$538,087
1995	\$132,964	\$ 7,659	\$11,351	\$11,562	\$313,276	\$81,730	\$15,832	\$574,374
1996	\$130,969	\$ 7,430	\$11,924	\$12,752	\$308,976	\$79,712	\$17,006	\$568,769
1997	\$137,540	\$ 8,216	\$11,532	\$12,517	\$312,450	\$93,082	\$37,567	\$612,904
1998	\$147,741	\$ 11,001	\$16,292	\$14,346	\$312,935	\$88,084	\$36,734	\$627,133

(1) Includes General Fund and all Special Revenue, Debt Service, and Capital Projects Funds.

COUNTY OF VENTURA
ALL GOVERNMENTAL FUND TYPES
REVENUES BY SOURCE



COUNTY OF VENTURA
EXPENDITURES BY FUNCTION
ALL GOVERNMENTAL FUND TYPES (1)
TEN YEARS ENDED JUNE 30, 1998
(In Thousands)
(UNAUDITED)

YEAR ENDED JUNE 30	GENERAL GOVERNMENT	PUBLIC PROTECTION	PUBLIC WAYS AND FACILITIES	HEALTH SERVICES	PUBLIC ASSISTANCE	EDUCATION	CAPITAL OUTLAY	DEBT SERVICE	TOTAL
1989	\$48,492	\$157,378	\$12,141	\$41,404	\$ 79,898	\$6,380	\$12,878	\$19,715	\$378,286
1990	\$54,750	\$174,804	\$12,569	\$48,718	\$ 88,019	\$7,258	\$15,565	\$20,731	\$422,414
1991	\$65,910	\$196,453	\$11,245	\$58,335	\$101,068	\$8,605	\$23,651	\$20,054	\$485,321
1992	\$72,014	\$210,350	\$20,093	\$63,897	\$109,086	\$9,394	\$11,717	\$21,485	\$518,036
1993 (2)	\$71,200	\$217,162	\$16,428	\$59,127	\$117,111	\$8,451	\$ 9,952	\$51,620	\$551,051
1994	\$61,925	\$244,001	\$13,090	\$60,596	\$126,225	\$6,601	\$33,608	\$18,482	\$564,528
1995	\$57,772	\$260,084	\$14,176	\$68,144	\$134,379	\$7,050	\$17,581	\$20,804	\$579,990
1996	\$52,758	\$288,067	\$12,275	\$65,301	\$143,463	\$6,623	\$15,920	\$25,376	\$609,783
1997	\$54,791	\$294,474	\$10,253	\$71,006	\$136,061	\$6,060	\$ 7,353	\$34,224	\$614,222
1998	\$ 57,815	\$306,184	\$16,199	\$71,501	\$129,836	\$6,010	\$10,759	\$35,344	\$633,648

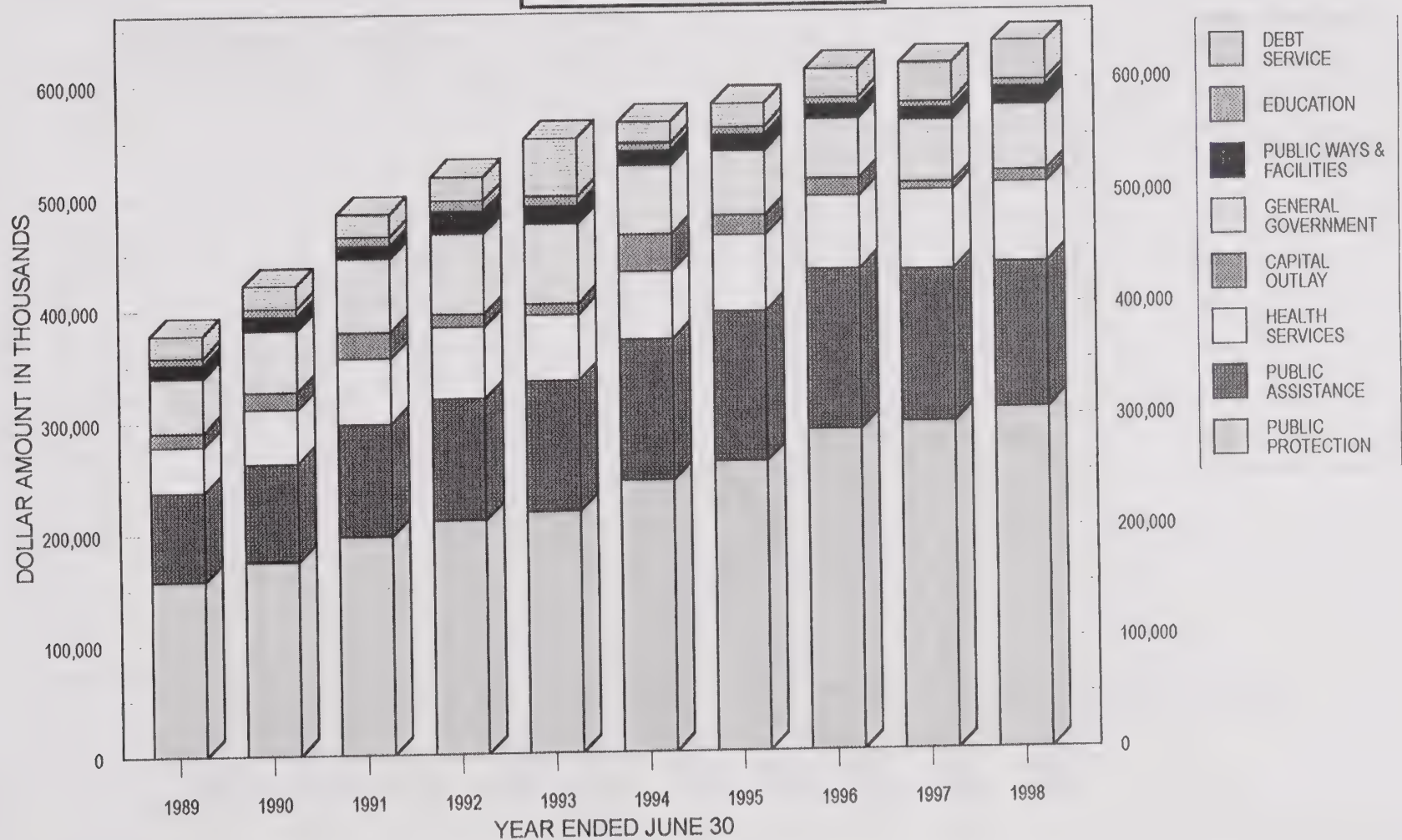
(1) Includes General Fund and all Special Revenue, Debt Service, and Capital Projects Funds.

(2) 1993 Debt Service includes \$30,294 one-time principal payment due to the retirement of Public Facilities Corporation (PFC) 1985 Certificates of Participation by 1987 Certificates of Participation.

COUNTY OF VENTURA

ALL GOVERNMENTAL FUND TYPES

EXPENDITURES BY FUNCTION



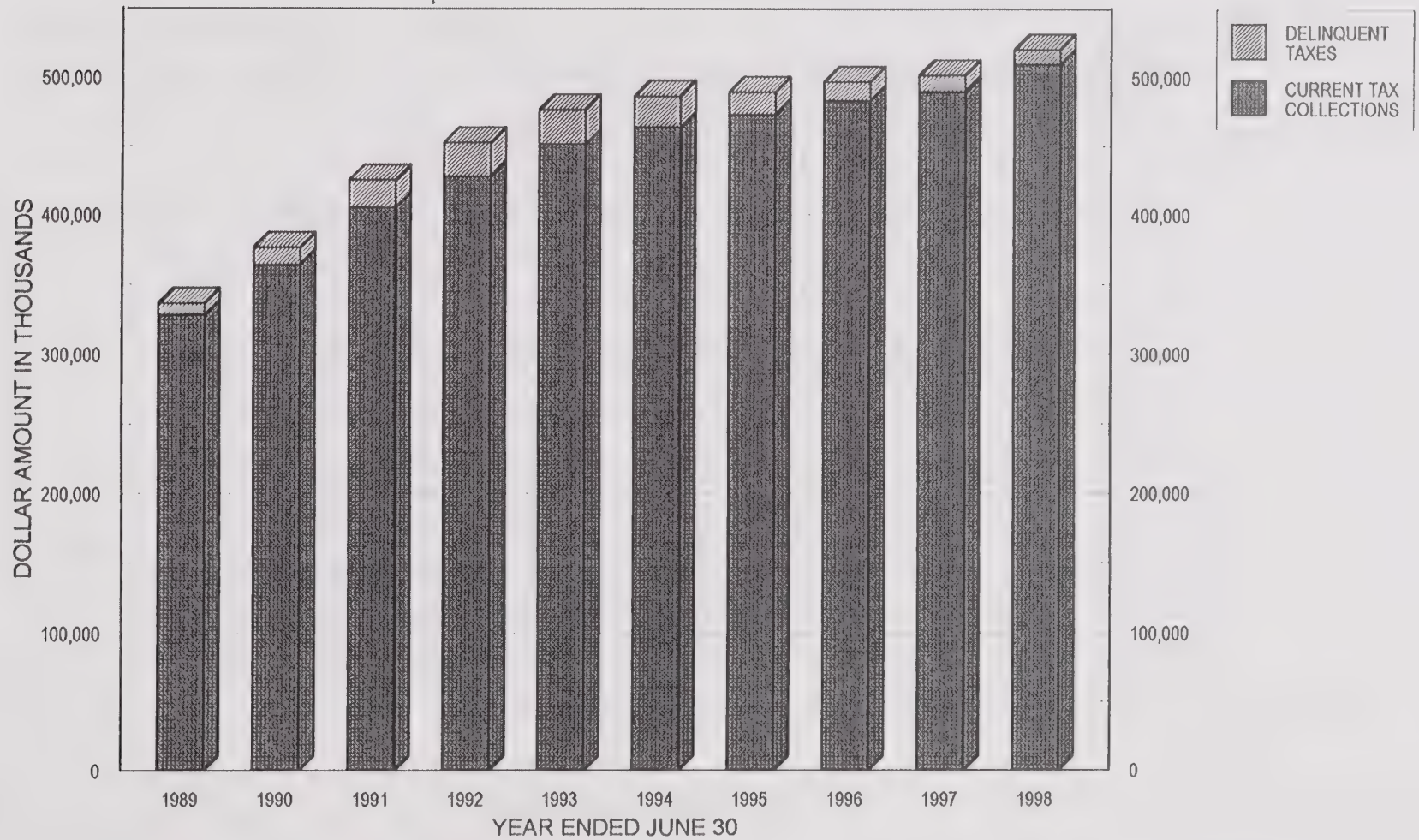
COUNTY OF VENTURA
PROPERTY TAX LEVIES AND COLLECTIONS
TEN YEARS ENDED JUNE 30, 1998
(In Thousands)
(UNAUDITED)

YEAR ENDED JUNE 30	TOTAL TAX LEVY	CURRENT TAX COLLECTIONS	PERCENT OF LEVY COLLECTED	DELINQUENT TAXES	PERCENT OF DELINQUENT TAXES TO TOTAL TAX LEVY
1989	\$336,475	\$328,194	97.5	\$ 8,281	2.5
1990	\$376,415	\$363,986	96.7	\$12,429	3.3
1991	\$425,463	\$405,532	95.3	\$19,931	4.7
1992	\$452,863	\$428,024	94.5	\$24,839	5.5
1993	\$476,351	\$451,624	94.8	\$24,727	5.2
1994	\$486,383	\$463,824	95.4	\$22,559	4.6
1995	\$489,392	\$472,894	96.6	\$16,498	3.4
1996	\$496,672	\$483,091	97.3	\$13,581	2.7
1997	\$501,797	\$489,594	97.6	\$12,203	2.4
1998	\$520,616	\$509,713	97.9	\$10,903	2.1

The above taxes represent the total secured property taxes levied and collected by the County. A substantial portion of these taxes are levied and collected on behalf of other governmental units and are not revenues of the County.

COUNTY OF VENTURA

PROPERTY TAX LEVIES AND COLLECTIONS



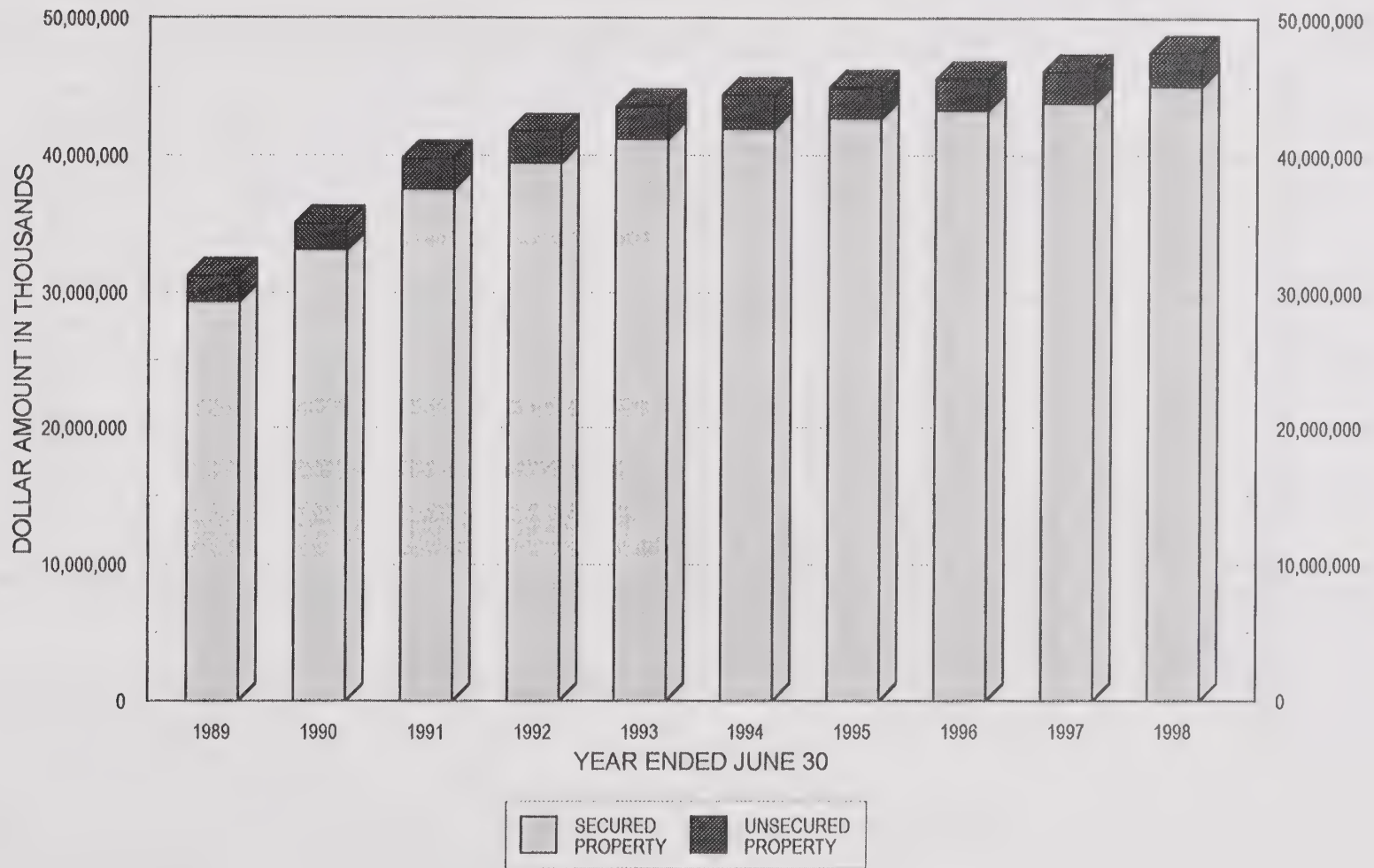
COUNTY OF VENTURA
 ASSESSED VALUE
 OF TAXABLE PROPERTY
 TEN YEARS ENDED JUNE 30, 1998
 (In Thousands)
 (UNAUDITED)

YEAR ENDED JUNE 30	SECURED PROPERTY ASSESSED VALUE	UNSECURED PROPERTY ASSESSED VALUE	TOTAL ASSESSED VALUE
1989	\$29,347,741	\$1,911,663	\$31,259,404
1990	\$33,147,863	\$1,994,931	\$35,142,794
1991	\$37,595,352	\$2,193,521	\$39,788,873
1992	\$39,462,799	\$2,269,129	\$41,731,928
1993	\$41,209,355	\$2,347,932	\$43,557,287
1994	\$41,948,789	\$2,461,980	\$44,410,769
1995	\$42,708,299	\$2,257,582	\$44,965,881
1996	\$43,282,520	\$2,317,807	\$45,600,327
1997	\$43,855,746	\$2,258,688	\$46,114,434
1998	\$45,068,893	\$2,425,801	\$47,494,694

NOTE: Assessments are at full value in accordance with Section 135 of the Revenue and Taxation Code.

COUNTY OF VENTURA

ASSESSED VALUE
OF TAXABLE PROPERTY



COUNTY OF VENTURA
PROPERTY TAX RATES AND DISTRIBUTION OF GENERAL LEVY PROPERTY TAXES
DIRECT AND OVERLAPPING GOVERNMENTS
TEN YEARS ENDED JUNE 30, 1998
(UNAUDITED)

YEAR ENDED JUNE 30	PROPERTY TAX RATES PER \$100 OF ASSESSED VALUATION		CITIES	SPECIAL DISTRICTS	COUNTY	SCHOOL DISTRICTS (1)	TOTAL
	LOW	HIGH					
1989	1.000000	1.657863	7.87%	22.25%	30.23%	39.65%	100%
1990	1.000000	1.449925	8.10%	22.30%	29.90%	39.70%	100%
1991	1.000000	1.486032	8.02%	22.29%	29.93%	39.76%	100%
1992	1.000000	1.424488	8.89%	22.26%	29.10%	39.75%	100%
1993 (2)	1.000000	1.424488	8.43%	19.34%	26.13%	46.10%	100%
1994 (2)	1.000000	1.441874	7.64%	18.88%	17.99%	55.49%	100%
1995	1.000000	1.393164	7.67%	18.65%	18.01%	55.67%	100%
1996	1.000000	1.392075	7.64%	18.64%	17.96%	55.76%	100%
1997 (3)	1.000000	1.384278	7.60%	18.74%	17.90%	55.76%	100%
1998	1.000000	1.371358	8.21%	18.73%	17.88%	55.18%	100%

The County is divided into approximately 2,296 tax rate areas, which are unique combinations of various jurisdictions serving a specific geographic area. The above tax rates, which include levies for general obligation bonds and special assessments, represent the low and high tax rates levied within each tax rate area.

The above allocation percentages are for general levies only and exclude general obligation bonds and special assessments.

The passage of Proposition 13 on June 6, 1978, enacted Article XIII(A) of the State Constitution. This prohibits the levying of any tax rate, except for existing voter approved bonded debt, in excess of a general tax rate of 1 percent of assessed value. The proceeds of this tax are shared by all overlapping local government entities.

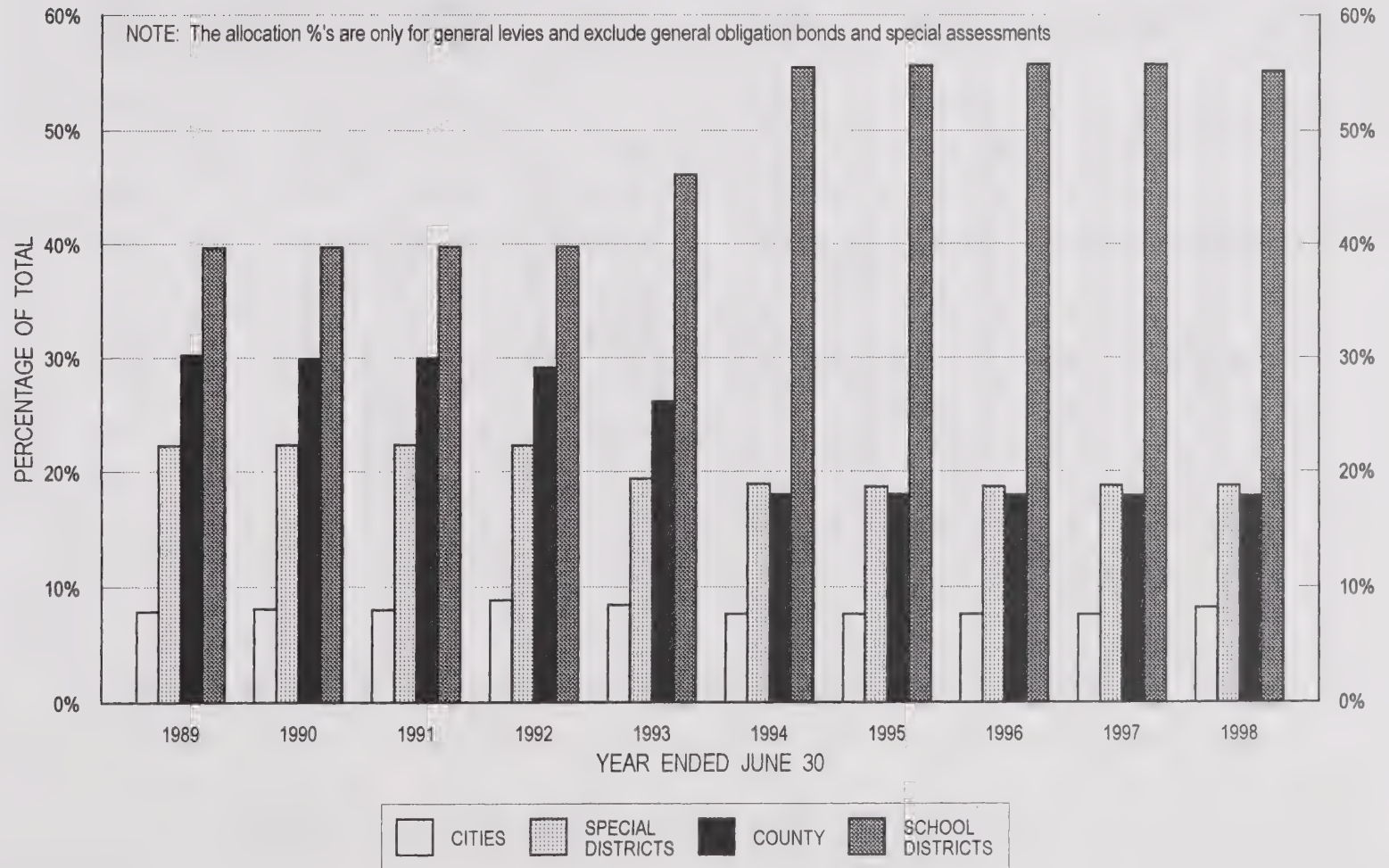
(1) Includes Superintendent of Schools.

(2) The State required increased distribution of taxes to schools with corresponding reductions to other entities beginning with tax shifts in 1992-93 and 1993-94.

(3) Correction to high property tax rate.

COUNTY OF VENTURA

PERCENTAGE DISTRIBUTION OF GENERAL LEVY PROPERTY TAX RATES



COUNTY OF VENTURA
GENERAL BONDED DEBT AND LEGAL DEBT LIMIT
TEN YEARS ENDED JUNE 30, 1998
(In Thousands)
(UNAUDITED)

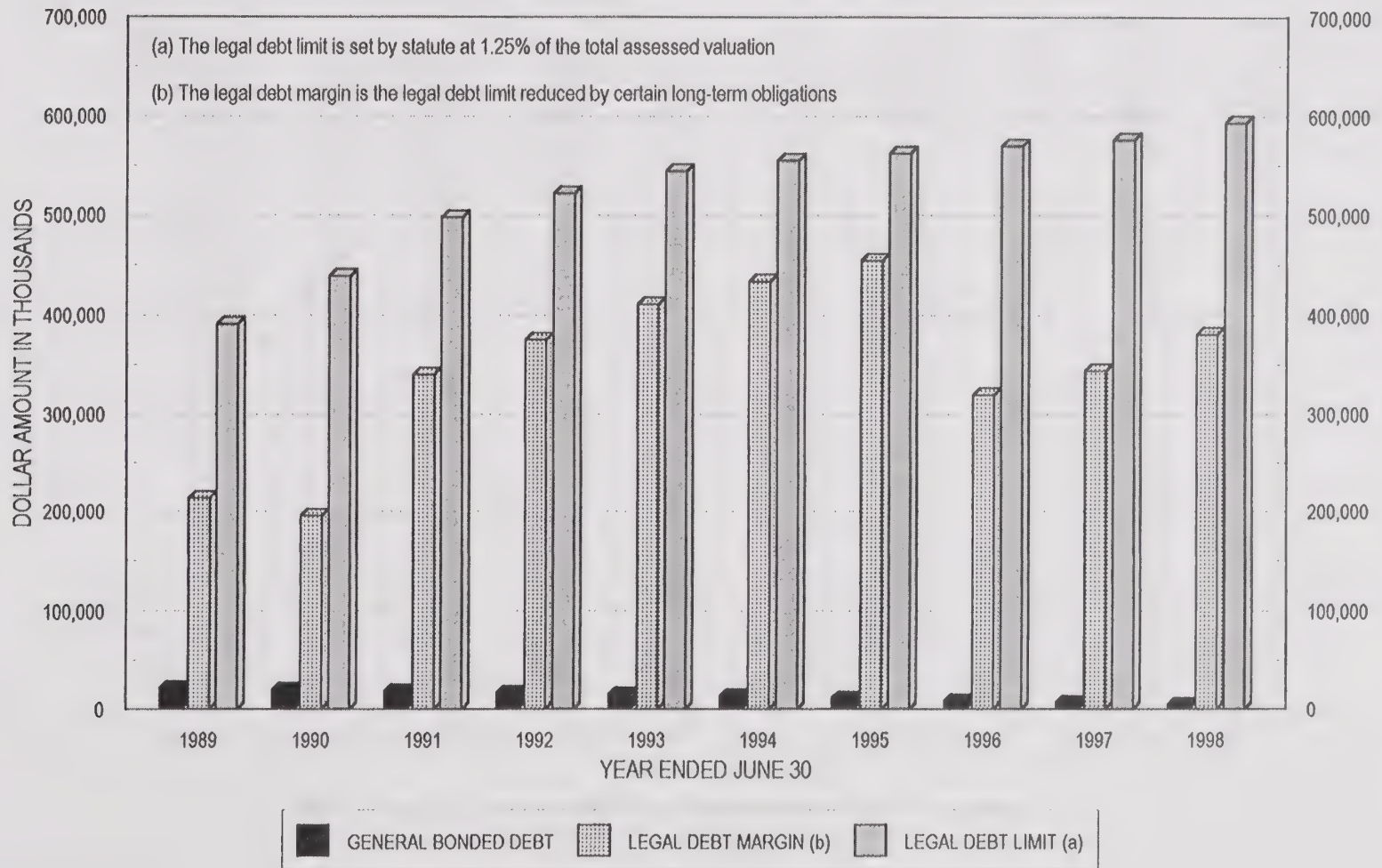
YEAR ENDED JUNE 30	ESTIMATED POPULATION	TOTAL ASSESSED VALUATION	LEGAL DEBT LIMIT (a)	LEGAL DEBT MARGIN (b)	GENERAL BONDED DEBT	GENERAL BONDED DEBT TO ASSESSED VALUE	GENERAL BONDED DEBT PER CAPITA
1989	654	\$31,259,404	\$390,743	\$213,762	\$ 21,835	.001	\$33.39
1990	669	\$35,142,794	\$439,285	\$194,942	\$ 20,275	.001	\$30.31
1991	678	\$39,788,873	\$497,361	\$339,914	\$ 18,610	.0005	\$27.45
1992	687	\$41,731,928	\$521,649	\$375,044	\$ 16,865	.0004	\$24.55
1993	700	\$43,557,287	\$544,466	\$410,792	\$ 14,995	.0003	\$21.45
1994	708	\$44,410,769	\$555,135	\$433,770	\$ 13,402	.0003	\$18.93
1995	721	\$44,965,881	\$562,074	\$454,288	\$ 10,190	.0002	\$15.55
1996	716	\$45,600,327	\$570,004	\$319,369	\$ 8,395	.0002	\$11.72
1997	717	\$46,114,434	\$576,430	\$343,747	\$ 6,495	.0001	\$ 9.06
1998	731	\$47,494,694	\$593,684	\$380,826	\$ 4,555	.0001	\$ 6.23

(a) The legal debt limit is set by statute at 1.25 percent of the total assessed valuation.

(b) The legal debt margin is the legal debt limit reduced by all long-term bonds, certificates of participation and loans payable.

COUNTY OF VENTURA

GENERAL BONDED DEBT AND LEGAL DEBT LIMIT



COUNTY OF VENTURA
RATIO OF ANNUAL DEBT SERVICE EXPENDITURES
FOR GENERAL BONDED DEBT TO TOTAL GENERAL GOVERNMENTAL EXPENDITURES
TEN YEARS ENDED JUNE 30, 1998
(In Thousands)
(UNAUDITED)

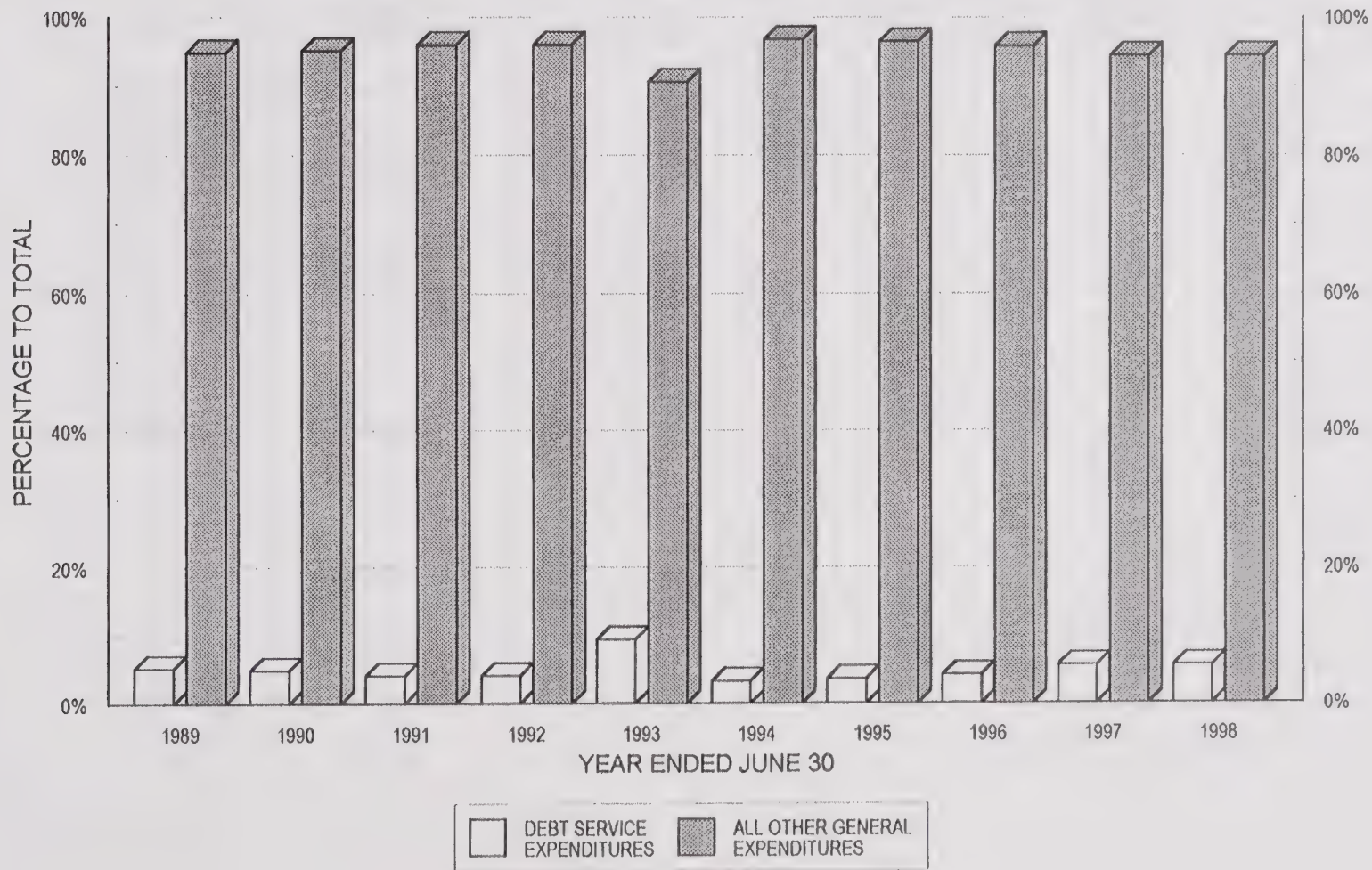
FISCAL YEAR	PRINCIPAL	INTEREST	TOTAL DEBT SERVICE (1)	TOTAL GENERAL EXPENDITURES (2)	RATIO OF DEBT SERVICE TO TOTAL GENERAL GOVERNMENTAL EXPENDITURES
1989	\$ 7,975	\$11,740	\$19,715	\$378,286	5.2%
1990	\$ 8,438	\$12,293	\$20,731	\$422,414	4.9%
1991	\$ 8,838	\$11,216	\$20,054	\$485,321	4.1%
1992	\$ 9,443	\$11,619	\$21,062	\$518,036	4.1%
1993 (3)	\$40,426	\$11,194	\$51,620	\$551,051	9.4%
1994	\$10,865	\$ 7,617	\$18,482	\$564,528	3.3%
1995	\$11,747	\$ 9,057	\$20,804	\$579,990	3.6%
1996	\$12,792	\$12,584	\$25,376	\$609,783	4.2%
1997	\$16,171	\$18,053	\$34,224	\$614,222	5.6%
1998	\$17,857	\$17,487	\$35,344	\$633,648	5.6%

(1) Includes debt service for General Fund short-term borrowings and all debt service in the Debt Service Funds. General obligation and lease revenue bonds reported in the proprietary fund types have been excluded.

(2) Includes General Fund and all Special Revenue, Debt Service, and Capital Projects Funds.

(3) 1993 Principal includes \$30,294 one-time principal payment due to the retirement of Public Facilities Corporation (PFC) 1985 Certificates of Participation by 1987 Certificates of Participation.

COUNTY OF VENTURA
 RATIO OF ANNUAL DEBT SERVICE EXPENDITURES
 FOR GENERAL BONDED DEBT TO GENERAL EXPENDITURES



COUNTY OF VENTURA
CONSTRUCTION AND BANK DEPOSITS
TEN YEARS ENDED JUNE 30, 1998
(UNAUDITED)

YEAR ENDED JUNE 30	COMMERCIAL CONSTRUCTION VALUE (a) (In Thousands)	RESIDENTIAL CONSTRUCTION		BANK DEPOSITS (b) (In Thousands)
		NUMBER OF UNITS (a)	VALUE (a) (In Thousands)	
1989	\$257,581	5,575	\$412,604	\$3,242,372
1990	\$321,962	4,269	\$627,653	\$3,937,511
1991	\$366,910	1,740	\$459,489	\$3,424,074
1992	\$218,979	2,071	\$284,915	\$3,867,485
1993	\$195,207	1,380	\$244,982	\$4,265,221
1994	\$ 76,179	1,945	\$198,923	\$4,235,286
1995	\$106,072	2,305	\$181,739	\$4,151,251
1996	\$155,762	2,346	\$227,050	\$3,425,696
1997	\$206,749	2,304	\$246,332	\$6,477,957
1998	\$241,206	2,607	\$191,737	(c)

(a) Sources: Construction Industry Research Board for number of units.
County of Ventura Assessor's Office for construction values.

(b) State Banking Department through 1996; FDIC Website 1997.

(c) Information was not available as of report date.

COUNTY OF VENTURA
COMPUTATION OF DIRECT AND OVERLAPPING DEBT
JUNE 30, 1998
(UNAUDITED)

	PERCENTAGE APPLICABLE TO COUNTY OF VENTURA	DEBT June 30, 1998
Ventura County Pension Obligations	100.00	\$142,565,000
Ventura County Public Facilities Corporation	100.00	58,430,000
Cities and City Building Authorities	100.00	153,121,390
Ventura County Camarillo Library Authority	100.00	1,015,000
School Authorities	100.00(a)	58,090,561
School, High School, and Unified School Districts	100.00(a)	181,772,465
Ventura County Superintendent of Schools	100.00	3,585,000
Ventura County Flood Control District, Zone No. 3	100.00	3,855,000
Metropolitan Water District	3.97	22,015,464
Municipal Water Districts	100.00	980,000
Ventura County Waterworks Districts (#1 and #16)	100.00	700,000
County Water District Certificates of Participation	100.00	1,381,916
1915 Act Bonds	100.00	85,710,000
Ojai Valley Sanitation District	100.00	485,000
Camarillo Sanitary District and Certificates of Participation	100.00	11,405,000
Oxnard Harbor District	100.00	325,000
Ventura Port District	100.00	630,000
Recreation and Park Districts	100.00	3,158,524
Community Facilities Districts	100.00	82,755,263
Other Special Districts	Various	99,400
		<u>812,079,983 (b)</u>
Total gross direct and overlapping bonded debt		
Less: Other Self-Supporting Bonds		<u>11,835,000</u>
Total net direct and overlapping bonded debt		<u>\$800,244,983 (b)</u>

(a) All 100 percent except Las Virgenes Joint Unified School District (4.173%).

(b) Excludes revenue, mortgage revenue and tax allocation bonds, non-bonded capital lease obligations, and tax and revenue anticipation notes.

Source: California Municipal Statistics, Inc., San Francisco and County of Ventura Auditor-Controller's Office.

COUNTY OF VENTURA
POPULATION BY CITY
FIVE-YEAR COMPARISON AS OF JUNE 30, 1998
(UNAUDITED)

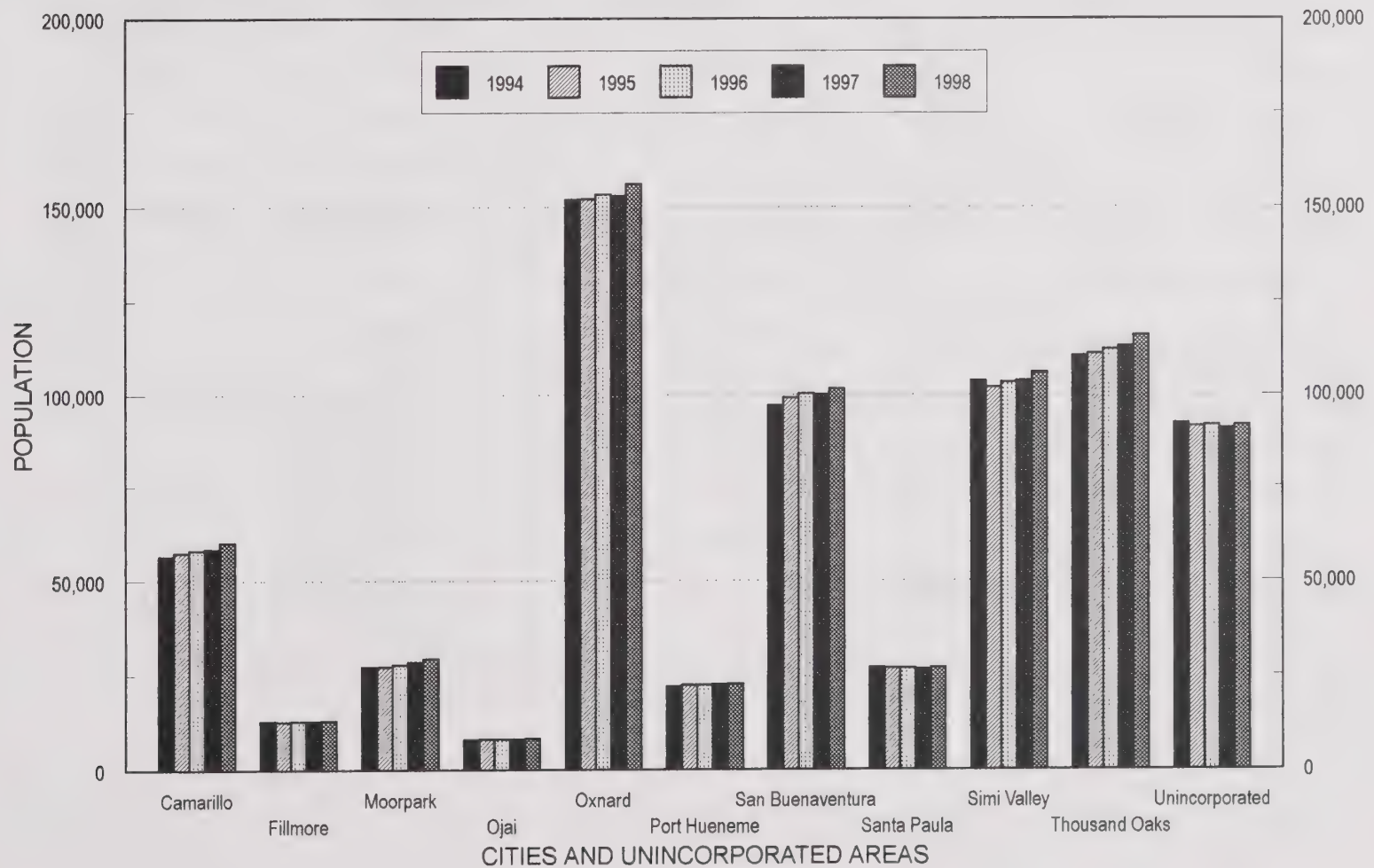
	1994	1995	1996	1997	1998 (a)
Camarillo	56,500	57,516	58,215	58,500	60,200
Fillmore	12,900	12,667	12,794	12,850	13,050
Moorpark	27,150	27,083	27,752	28,400	29,300
Ojai	7,925	8,026	8,066	8,050	8,150
Oxnard	151,900	152,077	153,273	152,800	156,000
Port Hueneme	21,850	22,249	22,254	22,500	22,550
San Buenaventura	97,000	99,069	100,313	100,000	101,500
Santa Paula	26,850	26,661	26,683	26,500	26,900
Simi Valley	103,700	101,974	103,192	103,700	106,000
Thousand Oaks	110,300	110,794	112,038	112,800	115,700
Unincorporated Area	<u>92,100</u>	<u>91,151</u>	<u>91,490</u>	<u>90,700</u>	<u>91,500</u>
Total	<u>708,175</u>	<u>709,267</u>	<u>716,070</u>	<u>716,800</u>	<u>730,850</u>

NOTES: (a) Population figures are estimated as of January 1, 1998.

Source: California Department of Finance
Demographic Research Unit

COUNTY OF VENTURA

POPULATION BY CITY
FIVE YEARS ENDED JUNE 30, 1998



COUNTY OF VENTURA
TEN LARGEST PROPERTY TAXPAYERS RANKED BY ASSESSED VALUE
YEAR ENDED JUNE 30, 1998
(In Thousands)
(UNAUDITED)

NAME	TYPE OF BUSINESS	GROSS ASSESSED VALUE	PERCENTAGE OF TOTAL GROSS ASSESSED VALUE
Amgen, Inc.	Pharmaceuticals	\$ 818,505	1.72%
Southern California Edison Co.	Utility	697,186	1.47%
GTE California, Inc.	Utility	688,997	1.45%
Pacific Bell	Utility	346,677	.73%
Proctor & Gamble Paper Products	Consumer Products	269,558	.57%
Southern California Gas Company	Utility	239,255	.51%
Aera Energy LLC	Petroleum	238,036	.50%
The Oaks Shopping Center LP	Developer	124,862	.26%
Tiger Ventura	Developer	73,125	.15%
Chelsea GCA Realty	Real Estate	<u>50,254</u>	<u>.11%</u>
Total attributable to ten largest property taxpayers		<u>\$ 3,546,455</u>	<u>7.47%</u>
Total gross assessed value		<u>\$47,494,694</u>	<u>100.00%</u>

COUNTY OF VENTURA
DEMOGRAPHIC AND MISCELLANEOUS STATISTICAL DATA
JUNE 30, 1998
(UNAUDITED)

The State Legislature approved the formation of Ventura County on March 22, 1872, effective January 1, 1873. The County of Ventura was created out of the southeasterly portion of Santa Barbara County.

The County of Ventura is bounded on the east by Los Angeles County; on the north by Kern County; on the northwest by Santa Barbara County; and on the south and southwest by the Pacific Ocean, with a coastline of approximately 42 miles.

Form of Government: General Law County, governed by a five-member Board of Supervisors

County Seat: San Buenaventura, California

Area of County: Approximately 1,873 square miles

Lowest Point: Sea Level

Highest Point: Mt. Pinos, 8,831 feet

Mean Temperature: 60.9°

Mean Precipitation: 13.09 inches

Fiscal Year: July 1 through June 30

Number of Cities: Ten

Population:	Census June 1, 1890	10,071
	Census June 1, 1900	14,367
	Census April 15, 1910	18,347
	Census January 1, 1920	28,724
	Census April 1, 1930	54,976
	Census April 1, 1940	69,685
	Census April 1, 1950	114,647
	Census April 1, 1960	199,138
	Census April 1, 1970	368,497
	Census April 1, 1980	529,899
	Census April 1, 1990	669,016

(Source: US Department of Commerce, Bureau of the Census)

County Employees:	June 30, 1998:	6,557
	(Source: County of Ventura Auditor-Controller)	

Number of employees per thousand population	9.0
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Employment Distribution:	
Service Industries	27.8%
Retail Trade	17.7%
Government	16.2%
Manufacturing	12.7%
Agriculture, Food Production	7.5%
Wholesale Trade	4.7%
Finance, Insurance, Real Estate	5.1%
Construction	4.1%
Transportation, Utilities	3.7%
Mining	0.5%

Total	<u>100.0%</u>
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Unemployment Rate	5.8%
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(Source: State of California, State Department of Employment Development, Employment Data, and Research Division)

Fire Protection: Fire Stations:	30
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Education:	Number of Elementary School Districts:	11
	Number of Secondary School Districts:	2
	Number of Unified School Districts:	7
	Number of Junior College Districts:	1
	Number of Ventura County Offices:	1

(Source: Ventura County Superintendent of Schools)

Parks:	Number of Parks:	27
	Number of Land Acres:	6,239

Airports:	Number of Airports:	2
	Number of Acres:	866

Harbors:	Number of Harbors:	1
	Number of Acres:	310
	Number of Marinas:	9

(Source: County of Ventura)

COUNTY OF VENTURA
SALARIES AND SURETY BONDS
OF ELECTED COUNTY OFFICIALS
JUNE 30, 1998
(UNAUDITED)

OFFICIALS	POSITION	ANNUALIZED SALARY (a)	SURETY BOND
Susan K. Lacey	Supervisor, First District	\$ 69,804	\$ 5,000
Frank Schillo	Supervisor, Second District	\$ 69,804	\$ 5,000
Kathy I. Long	Supervisor, Third District	\$ 69,804	\$ 5,000
Judy Mikels	Supervisor, Fourth District	\$ 69,804	\$ 5,000
John K. Flynn	Supervisor, Fifth District	\$ 69,804	\$ 5,000
Glenn Gray	Assessor	\$111,166	\$ 25,000
Thomas O. Mahon	Auditor-Controller	\$119,492	\$200,000
Richard D. Dean	Clerk and Recorder	\$102,047	\$ 25,000
Michael D. Bradbury	District Attorney	\$131,804	\$ 25,000
Bob Brooks	Sheriff	\$132,623	\$ 50,000
Harold S. Pittman	Treasurer-Tax Collector- Public Administrator- Public Guardian	\$103,385	\$755,000

(a) Based upon June 1998 base salary.

